

CHESHIRE EAST COUNCIL

Wilmslow Community Governance Review Sub-Committee

Date of Meeting: 27th September 2010
Report of: Borough Solicitor
Subject/Title: Wilmslow Community Governance Review – Budgets and Parish Precepts

1.0 Report Summary

- 1.1 Without prejudicing the outcome of the Wilmslow Community Governance Review, if the decision is taken to create parish councils in Wilmslow, Handforth and Styal, detailed consideration will need to be given to setting an appropriate budget for the first year of their operation. A precept would then need to be calculated and levied for the areas concerned.

2.0 Recommendations

- 2.1 To give initial consideration to the potential running costs and budgetary requirements of the three proposed parish councils in order that draft budgets can be prepared and precepts calculated.
- 2.2 To seek a detailed report to a further meeting of the Sub-Committee on these matters.

3.0 Reasons for Recommendations

- 3.1 Established Parish Councils advise the Borough Council in January each year of their precept requirements and these proposals are then included by the Borough Council as part of the total Council Tax-setting process.
- 3.2 The difficulty with the process for proposed new parish councils in the Wilmslow area (if that is the outcome of the review), is that the parish councils themselves will not come into operation until Councillors have been elected in May 2011. Action is therefore required by Cheshire East Council to ensure that the new parish councils have a budget to work with.

4.0 Wards Affected

- 4.1 Wards covering the areas of Wilmslow, Handforth and Styal.

5.0 Local Ward Members

- 5.1 As above

6.0 Policy Implications

- 6.1 None

7.0 Financial Implications (Authorised by the Borough Treasurer)

- 7.1 Parish precepts would need to be raised for any new Parish Councils created, to cover the administration costs for the municipal year 2011/12.
- 7.2 The Council would also need to take into account corporate proposals which have been agreed by Cabinet on 19th July 2010 for the devolution of services from Cheshire East Council to parish councils. Further discussions will be required as to the impact of this programme upon the newly formed parish councils. Appropriate budget provision will need to be provided for the running of such services by parish councils and the costs included when calculating the parish precepts.

8.0 Legal Implications

- 8.1 The Local Government Finance (New Parishes) (England) Regulations 2008 enable the Council to calculate the first anticipated precept for a newly-constituted Parish Council and for the amount of that precept to be included in the Re-organisation Order.

9.0 Risk Management

- 9.1 The risk is that if no action is taken by the Council to set a precept for the new parishes, the newly-formed Councils will be unable to operate.

10.0 Background

- 10.1 The National Association of Local Councils (NALC) has produced a document – “Power to the People” – “Your Guide to Local Councils, the benefits they can bring to your area and how you can create one”, which is useful reference material and provides examples of precepts for different sizes of parish councils. A hard copy will be circulated with the agenda to all members of the Sub-Committee.
- 10.2 The Cheshire Association of Local Councils (ChALC) has also supplied examples of budgets for a small and large parish Council to aid discussions and these are attached as Appendices to the report.
- 10.3 It is important to be clear in considering this matter that the outcome of the Community Governance Review is not being prejudiced. However, in view of the tight timescales involved, thought must be given to matters of precepting, budgets and governance arrangements in early course. There is therefore little option other than to begin preparation in order to deal with any decision which might be taken to create parish councils.

- 10.4 It is suggested that a meeting of the Sub-Committee be arranged in the near future to give more detailed consideration to these issues.

12.0 Access to Information

The following background papers relating to this report can be inspected by contacting the report writer:

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National Association of Local Councils document – “Power to the People” –
“Your Guide to Local Councils, the benefits they can bring to your area and
how you can create one”