

The Precept

Currently the precept for Halesworth constitutes 3.75% (£67.83*) of the annual Council tax bill for tax paying residents. This is low in comparison to most of the local towns.

You can't directly compare the different amounts for each town as they all have different populations and numbers of tax payers but what is important is the rate for the tax payer for this very small part of the Council tax bill. It is also worth noting that not everyone pays Council tax and some pay a reduced amount.

*Figure for a band D house

Rates for a band D house by town

These are the multiplying factors used for calculating other house bands, type D is used as the base figure or average.

A	0.67
B	0.78
C	0.89
D	1.00
E	1.22
F	1.44
G	1.67
H	2.00

How is the precept calculated per tax payer

- East Suffolk Council will take the amount required by the parish, in the case of Halesworth in 2020-2021 it was £116,683
- Then they work out how many tax payers there are and take any reductions they are entitled to into account.
- The different bands of houses is then averaged out to give the number of D band houses 'the tax base'. In 2020/21 the tax base for Halesworth was 1719.61.
- Finally the precept is then divided by 1719.61 to obtain the annual tax (for a D house) i.e. £67.83 per annum which can then be used to work out the other house types using the scale on the left.
- If there are more houses built in Halesworth, then there will be more tax payers, this would allow the potential to have a higher precept without increasing the tax burden for the individual.

Comparing towns

- You might expect Aldeburgh and Southwold to be more expensive but Leiston and Lowestoft are actually the highest.
- If we had the same tax rate as Leiston the Precept would be £295,032 i.e. 2.5 times higher than it is now
- We don't know all the reasons why most of these towns are higher but we do know Bungay is in a similar position as they have recently taken on assets from ESC. Bungay's Precept is likely to go up by 15% next year having been increased by about 40% this year and around 30% the year before.
- This is the only method most parish councils have to raise income. In Halesworth's case this is particularly true as we don't have any car parks or property to provide other income.

	Precept	Band D house
Leiston	£305,000.00	£171.63
Lowestoft	£1,837,731.00	£144.91
Saxmundham	£224,500.00	£143.28
Aldeburgh	£215,000.00	£114.14
Southwold	£120,000.00	£109.59
Framlingham	£157,196.00	£105.31
Woodbridge	£325,828.00	£103.45
Kessingland	£119,689.00	£83.82
Bungay	£124,997.00	£76.61
Halesworth	£116,641.00	£67.83
Oulton Broad	£213,981.00	£65.83
Kesgrave	£302,000.00	£63.07
Rushmere	£123,000.00	£47.79
Beccles	£116,852.00	£36.44

The Precept is still low

- In order to be able to afford to maintain the 'assets' that are proposed to be transferred, Halesworth Town Council has no option but to raise the precept to £139,927 for 2021-22.
- Although in percentage it seems to be a big increase, this only equates to an extra £1.27 per month for an average band D house holder. Halesworth's precept would still be low in comparison; the 2021-22 rate is shown on the right compared to all the other towns precepts for last year (2020-21), we expect most of these which will all go up again.



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Calculating the costs of the assets

- Most of the assets proposed for transfer are liabilities that require ongoing maintenance, but the London Road Building is in theory a saleable asset. However, it is a very poor state at the moment as many of you will be aware because it has been neglected by the District Council for many years and now needs a significant amount of refurbishment work.

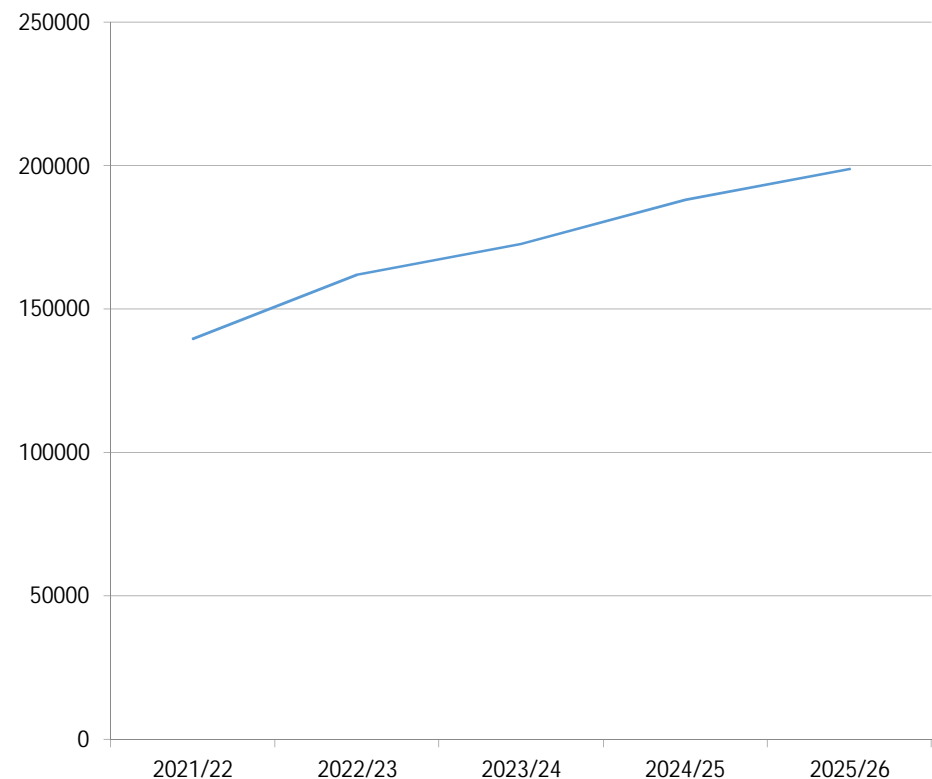


This a list of all the assets that would be transferred

Title no	Description	Type	Location
SK262244	London Rd Office		London Road
SK262244	Day Centre		London Road
SK109102	Land, The Drift, London Road, Hales	Land	London Road
SK262243	Town Park, Halesworth	Park	Town Park
SK262242	Skate park & Land, Halesworth	Park	Town Park
SK262243	Public cons, Town Park, Halesworth	Pcons	Saxon Way
SK262318	Public cons Market Place	Pcons	Market Place
SK262805	Accessibility Toilet, Thoroughfare Car park	Pcons	Thoroughfare
SK66160	Land Old Station Road, Halesworth	Land & Play Area	Old Station Road
SK261668	OS & Play Field Kennedy Cl & Ave, Halesworth	POS & Park	Kennedy Close
SK261636	Land, Memorial/Shelters, Th'fare, Halesworth	Land	Memorial/Shelters
SK139848	Land West Hill Farm Road, Benslys Drift, Hales	Play Area	Hill Farm Road
SK1153229	OS, Jermyn Way (Plot 1), Gainsborough Drive	Play Area	Gainsborough Drive
SK117740	OS, Jermyn Way (Plot 2), Halesworth	Open Space	Jermyn Way (Plot 2)
SK261893	Allotments, Swan Lane, Halesworth	Land	Allotments
SK188976	OS, Barley Meadow, Hales	POS	Barley Meadow
SK205351	Land South West Angel Link, Hales	Land	Angel link
SK109552	Land Sth West Bramblewood Way, Hales	Verge	South West Bramblewood Way

The 5 year plan

- The simple fact is that HTC has a limited scope to increase income other than via the Precept. The only way to afford these assets is therefore to increase the Precept. As the town grows there will no doubt be more residents to spread the costs. That's why HTC has taken the decision to gradually increase the Precept over a five year period. It's predicted that it may need to be around £200,000 by year five. However, as the number of residents increases this reduces the amount of precept tax for the each house band and in all probability it won't be much higher for the individual than it is now.



Reasons to be optimistic

- We may have been too pessimistic with the costs & contingencies and we hope to achieve savings in some areas.
- Halesworth Town Council has a very healthy bank balance because it has built up reserves over the years for this very purpose.
- Although the current calculations will deplete the general reserves, we do have £340k in total reserves at the moment.
- The London Rd building is a saleable asset and even in it's dilapidated state it is worth a minimum £150k
- More rate payers to share the costs also means more houses and more CIL money available to HTC. It can't be spent on maintenance but it can help in other areas if it is not already earmarked.
- There may also be opportunities to increase the income once HTC owns all these assets and this would help to offset some of the increases in future years.



HTC must balance the books

Message from Cllr Dave Wollweber, Chair of Halesworth Town council.

'The decision to raise the precept at this time was not an easy one. However whether we like it or not our Town is set to grow. To meet future challenges I feel it is important that the Town can make more decisions at local level rather than leave it to distant County and District Councils. One stage in this process is the Neighbourhood Plan which will give greater influence over future planning decisions and any money that comes with these developments. Another is to take more control over things that matter to local people such as the Town Park and to own assets such as the London Road Building that we can develop for the town's benefit. The extra cost of this will be less than £1.30 for a band D property per month. I believe this is a necessary step to allow Halesworth to take more control over its future.'

Message from Cllr Rosemary Lewis, Chair of the Finance and Personnel Committee

'This is an exciting time for Halesworth! We are now entering the final part of negotiations with East Suffolk Council to acquire the London Road Building, the Park/ Public conveniences and the many open spaces that are within the boundaries of Halesworth. Hopefully, if all goes well this will be achieved by the end of this year.

The Town Council, has been planning for this eventuality for the past few years and has put aside monies to meet the legal/survey costs etc.

Nothing comes free, so the bulk of the running cost and improvements for these facilities will come from a small increase per year per household on the Precept.

Owning these assets will mean that Halesworth will be in charge of its own destiny. I am committed to enhancing the Town and the facilities it offers, to all its residents and visitors.'