

Parish Council shared costs proposed new split.: E-mail received 8 November 2021

At the most recent GAPC and LAPC Liaison meeting, I agreed to produce a document about the costs of future joint funding between the two parish councils might be allocated in the light of a considerable and on-going increase in the number of houses and population in Great Abington relative to Little Abington.

The main such joint funding is that of the Recreation Ground, but there have been other examples of joint funding. **At present the cost split is 60% Great Abington and 40% Little Abington.**

There are a number of ways in which the split could be calculated. It could be based, for example, on the number on the electoral roll in each village or on the population of each village or on the number of houses in each village. However, numbers on the electoral rolls exclude those under 18, accurate population figures are produced following regular 10-yearly censuses, but can get easily out of date, and simply taking the number of houses in a village does not reflect the balance of properties in that village.

I have recently been looking at documentation relating to the Recreation Ground, and have come across an interesting letter from what was then South Cambridgeshire Rural District Council. The letter was dated 6th May 1970 and addressed to the Clerk of LAPC. The letter stated that the RDC had obtained the conveyance of the land which is to be used as a recreation ground, and suggested that LAPC and GAPC set up a joint management committee. The letter went on to say that 'you will also have to liaise with each other on the question of sharing costs of running the recreation ground, which, I presume, would be **proportionate to your respective rateable values**', in other words to the respective tax base of each village.

Rateable values were replaced by council tax bands a good many years ago, so I would suggest that the most equitable way of sharing costs would be by the use of the respective tax bases of each village as of now, that is on the number of Band D equivalent properties in each village.

The numbers of Band D equivalent properties in Great Abington and Little Abington in the financial year 2022-23 are estimated by SCDC to be 457.5 and 261.0 respectively. Using these figures would give a cost split of **63.7% Great Abington and 36.3% Little Abington.**

The figures of 457.5 and 261.0 are contained in this year's letter from SCDC to all parish councils about parish council budget setting for 2022-23. Because the annual SDC letter is sent out each year several weeks before our two parishes' budget setting meetings we would have the ability to amend the cost ratio every year, or we could decide to keep it fixed for a set number of years and then review.

In my view using the number of Council Tax Band D properties is the fairest and most relevant measure to use, and the ratio of costs could be determined each year from the relevant SCDC figures. I therefore suggest that we use the 63.7% 36.3% figures as the cost split that both parish councils should use in their budget setting process for 2022-23, and then use the relevant yearly figures for each subsequent year.

I have set out an example below to show the financial consequences of such a change, assuming that a total cost of £5,000 had to be shared between the two parishes:

Current situation: GAPC would pay £3,000 and LAPC would pay £2,000. On a 63.7% 36.3% split, GAPC would pay £3,185 and LAPC would pay £1,815

I have circulated these ideas informally to Great Abington parish councillors and had a very positive response. I hope you find the approach above constructive and helpful.

Tony

Update

GAPC met on 15 November. They agreed a split of 64% GAPC 36% LAPC.

This would be reviewed every year based on information in the annual precept letter.