



Briefing Note to Councillors 23rd February 2022

Section 137 spending

Section 137 (1) & (4) (a) of the Local Government Act 1972 is a statutory power. It gives the Council the power to '*incur expenditure for purposes not otherwise authorised*'. It is only used when there is no other specific power available; it is a '*power of last resort*'. It must benefit some or all inhabitants, not an individual, nor can it be made retrospectively.

Section 137 was amended in S36 of the Local Government & Housing Act 1989. The amendment stipulated that expenditure and benefit must be balanced. The current information, received via the National Association of Local Councils (NALC) is as per the instruction from the Department for Levelling Up, Housing & Communities (DLUHC).

The annual S137 budget is limited and calculated by multiplying £8.82 (updated figure from £8.41) by the total number on the electoral role annually on 1st April. Financial records must show a separate account for S137 spending.

Section 137 spending limit for 2022/23

The expendable amount for Town and Parish Councils in England for 2022/23 is £8.82. For Botus Fleming Parish Council this gives an entitlement expenditure of £5,900.58 per annum.

This is the amount that results from increasing the current amount of £8.41 for 2021/22 by the percentage increase in the retail index between September 2020 and September 2021, in accordance with Schedule 12 (b) to the (LGA) 1972.

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