

**Great and Little Hampden Parish Council  
Clerk to the Council – Nick Baxter**

**2024/2025 precept proposal for 28 November 2022 Parish Meeting  
Agenda item 3f**

Meeting held the Memorial Hall Great Hampden (6PM)

**For the attention of:**

Councillor Frances Smith [Chair]  
Councillor Karen Butler [Vice Chair]  
Councillor Cherry Aston  
Councillor Claire Page

**Prepared by:**

Nick Baxter [Clerk and Responsible Financial Officer]

**1) Purpose**

This proposal is to consider the 2024/2025 Precept. As part of the ‘thinking process’ behind this proposal, the Clerk conversed with the Chair to ascertain her initial thoughts on the future Precept direction. Her view was that a minimal Precept increase was ideal, and this proposal considers that possibility. It is recognised that this, potentially, taking into account inflation, represents a ‘real cost’ reduction.

**Councillors are asked to consider the proposal prior to the meeting on 28 November in order that all views can be taken, and a proposed figure agreed.**

**2) Background**

The Local Government Finance Act 1992 require local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating its budget requirement. There is, however, no specified minimum level of reserves that an authority should hold, and it is the responsibility of the RFO to advise the Council about the level of reserves and to ensure that there are appropriate procedures in place. It should be noted (3.4 below) that Parish Councils are generally recommended to hold a reserve of c50% of their Precept figure.

Great and Little Hampden Parish Council [‘GLHPC’] holds more than this because it is currently considering two potentially expensive projects (the provision of allotments and a push to reduce speed limits in the village). The reserve held by GLHPC, not including residual Community Infrastructure Levy [‘CIL’] funds, is current c100% of the 2023/2024 Precept.

The final 2024/2025 Precept claim will need to be made during January 2024 and the Clerk will further assess this proposal in the first week of January to check the finances at that time to ensure that this proposal remains viable at the time of the Precept submission.

It is intended that the final Precept figure is agreed at the full council meeting on 3 January 2024.

**3) Proposals to full meeting of the Parish Council 28 November 2023**

3.1) It is recommended that the 2024/2025 Precept includes a provision to set a level of financial reserves that:

- a) Maintains a minimum reserve fund of >50% of the agreed precept to protect against unforeseen budget pressures, elections, possible funding cuts and increased devolved services.
- b) Sets aside enough sums as general reserves to support any major unforeseen spending pressures.
- c) Keeps a minimum balance (an operational buffer) that is sufficient to meet its liabilities as they fall due in the current account at all times.
- d) Includes an amount to cover training courses for Councillors and the Clerk, including a course in respect of the Certificate in Local Council Administration ['CiLCA'] training for the clerk
- e) Maintains funds to allow for known future expenditure, such as replacement PC computer and printer, the provision of allotments in the village and expenditure associated with the push to reduce speed limits in the village (all of which may not be fully covered by CIL).

3.2) Appendix A, attached to this proposal, shows the 2023/2024 expenditure to the end of October 2023, an estimate to the end of the financial year, an estimated variance at the end of the current financial year and a proposal for the 2023/2024 financial year. **The Parish Council is asked to consider the objectives identified in paragraph 3.1, the amounts shown Appendix A and to agree the Precept for 2024/25 as £8,295. Councillors should note that a £0 amount is to be claimed as an additional reserve as the reserves are healthy (see 3.4).**

The claimed Precept in recent years are as follows:

Year	Precept	Increase on previous year
2019/2020	£6,150	
2020/2021	£7,599	23.56%
2021/2022	£7,789	2.50%
2022/2023	£7,984	2.50%
2023/2024 <sup>1</sup>	£7,984	0.00%
2024/2025	£8,259	3.44%

3.3) The balance in the Council current account as at 30 October 2023 is c£6,200. It is unlikely that expenditure for the remainder of the financial year will exceed £2,000. The balance on the current account at the end of March 2023 is likely to be c£4,650. **It is proposed that £1,000 is transferred from the current account the deposit account.** This transfer will leave an operational buffer in the current account of c£3,650 at the start of the next financial year (1 April 2024). In addition, at the time, that the next half year Precept will be received (April 2024).

3.4) It should be noted that at the end of October 2023 reserves of c£9,300 are held in the deposit account, in addition to the balance of CIL c£10,000. A further transfer of £1,000 will mean that c£10,000 is held as reserves in the deposit account. This will mean that an identifiable reserve >100% of our 2024/2025 Precept will be held in a separately identifiable account. Parish Councils are generally recommended to hold a reserve of c50% of their Precept figure. While our percentage is above the 50% recommended amount, we have a number of 'inflight' expenditure projects: pond/allotments/village hall hard standing/replacement computer. On that basis, I suggest the percentage is acceptable.

<sup>1</sup> While the Great and Little Hampden Parish Council claimed no increase in the Precept, Buckinghamshire Council increased the local Precept but did not pass on the increase to Great and Little Hampden Parish Council.

3.5) It is proposed that £1,000 is transferred from the current account to the deposit account when the April 2024 and September 2024 Precept instalments are received from Buckinghamshire Council 92 x £1,000 transfers).

Proposal prepared by  
 Nick Baxter  
 Clerk and Responsible Financial Officer  
 21 November 2023

### Appendix A

2023/2023 planning	Precept	Position end of Oct 2023	EOY estimate	Variance	Precept proposal	Proposal as a % of EOY estimate	Proposal as a % of 2023/2024 Precept
Accounts headings	2023/2024	Actual	Estimate	Estimate	2024/2025	Proposed	Proposed
Admin costs	£500	£130	£260	£300	£300	115.38%	60.00%
Audit fees	£250	£270	£300	£50	£350	116.67%	140.00%
Capital expenditure	£400	£2,942	£2,942	£2,542	£800	27.19%	200.00%
Clerk salary (net of PAYE)	£2,100	£738	£2,000	£100	£2,500	125.00%	119.05%
Donation made	£459	£100	£150	£309	£225	150.00%	49.02%
Hall hire	£225	£0	£0	£225	£225		100.00%
HMRC (Clerks PAYE)	£400	£492	£1,000	£600	£1,000	100.00%	250.00%
Insurance	£300	£290	£350	£50	£350	100.00%	116.67%
Maintenance	£500	£525	£1,000	£500	£500	50.00%	100.00%
Office supplies	£500		£50	£450	£50	100.00%	10.00%
Other	£25	£287	£574	£549	£500	87.11%	2000.00%
Postage	£40	£0	£10	£30	£25	250.00%	62.50%
Regulatory fees	£180	£0	£40	£140	£40	100.00%	22.22%
Subscriptions	£360	£160	£180	£180	£180	100.00%	50.00%
Telephone	£500	£315	£630	£130	£700	111.11%	140.00%
Training	£50	£0	£500	£700	£500	100.00%	1000.00%
Travel expenses	£50	£0	£0	£50	£50		100.00%
Sub total	£6,839	£6,249	£9,374	£2,535	£8,295	88.49%	121.29%
Reserves/election	£1,000	£1,000	£1,000	£0	£0	0.00%	0.00%
Total	£7,839	£7,249	£10,374	£2,535	£8,295	79.96%	105.82%