

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

**2025/2024 precept proposal for 2 December 2024 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 Heather Stanley

Prepared by:

Nick Baxter [Clerk and Responsible Financial Officer]

Purpose

1. This proposal is to consider the 2025/2026 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. The view of the Chair 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.
2. **Councillors are asked to consider the proposal prior to the meeting on 2 December 2024 in order that all views can be taken, and a proposed figure agreed.**

Background

3. 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.
4. Great and Little Hampden Parish Council [‘GLHPC’] holds more than this because it is currently considering two potentially expensive projects 1) a push to reduce speeds in the village and make the roads safer for pedestrians and 2) supporting the village hall committee with the rejuvenation of the village hall as a local hub and other smaller projects. The reserve held by GLHPC, not including residual Community Infrastructure Levy [‘CIL’] funds are slightly lower than the 2025/2026 Precept proposal. After the purchase of the Little Hampden defibrillator the balance of CIL monies held by the Council are £8,904.
5. The final 2025/2026 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, but it is not anticipated at the Council will discuss the proposal between 2 December 2024 and the submission of the claim in January 2025.
6. The current finances show that there is no need to build additional reserves.

Proposals to meeting of the Parish Council 2 December 2024

7. It is recommended that the 2025/2026 Precept includes a provision to set a level of financial reserves that:
- 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.
 - Sets aside enough sums as general reserves to support any major unforeseen spending pressures.
 - 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.
 - Includes an amount to cover training courses for Councillors and the Clerk,
 - Maintains funds to allow for known future expenditure, such as replacement PC computer and printer, the push to reduce speed limits in the village and the rejuvenation of the village hall as a local hub (all of which may not be fully covered by CIL).
8. Appendix A, attached to this proposal, shows the 2024/2025 expenditure to the end of October 2024, 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 2024/2025 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 2025/26 as £8,665. Councillors should note that a £0 amount is to be claimed as an additional reserve as the reserves are healthy (see 3.4).**
9. 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	£7,984	0.00%
2024/2025	£8,295	3.90%
2025/2026	£8,665	4.46%

Proposal prepared by
Nick Baxter
Clerk and Responsible Financial Officer
21 November 2024

Appendix A

Great and Little Hampden Parish Council							
DRAFT - Precept estimate of Expenditure year ending 31 March 2025							
To propose setting of precept for year ending 31 March 2026							
	Precept	Position end of Oct 2024	EOY estimate	Variance	Precept proposal	Proposal as a % of EOY estimate	Proposal as a % of 2023/2024 Precept
Accounts headings	2024/2025	Actual	Estimate	Estimate	2025/2026	Proposed	Proposed
Admin costs	£300	£127	£260	-£40	£300	115.38%	100.00%
Audit fees	£350	£282	£300	-£50	£350	116.67%	100.00%
Capital expenditure	£800	£100	£1,400	£600	£900	64.29%	112.50%
Clerk salary (net of PAYE)	£2,500	£801	£1,700	-£800	£2,500	147.06%	100.00%
Donation made	£225	£100	£100	-£125	£225	225.00%	100.00%
Hall hire	£225	£0	£0	-£225	£225		100.00%
HMRC (Clerks PAYE)	£1,000	£534	£1,134	£134	£1,200	105.82%	120.00%
Insurance	£350	£343	£350	£0	£400	114.29%	114.29%
Maintenance	£500	£1,040	£1,040	£540	£500	48.08%	100.00%
Office supplies	£50	£0	£50	£0	£50	100.00%	100.00%
Other	£500	£384	£574	£74	£500	87.11%	100.00%
Postage	£25	£0	£0	-£25	£25		100.00%
Regulatory fees	£40	£0	£40	£0	£40	100.00%	100.00%
Subscriptions	£180	£81	£180	£0	£180	100.00%	100.00%
Telephone	£700	£340	£680	-£20	£720	105.88%	102.86%
Training	£500	£390	£840	£340	£500	59.52%	100.00%
Travel expenses	£50	£0	£0	-£50	£50		100.00%
Sub total	£8,295	£4,522	£8,648	£353	£8,665	100.20%	104.46%
Reserves/election		£0	£0	£0			
Total	£8,295	£4,522	£8,648	£353	£8,665	100.20%	104.46%