

Little Horwood Parish Council Budget Financial Year 2026/2027

SUMMARY

This paper proposes that the parish council seeks a precept increase of 30% to reflect general cost price increases as well as a number of additional costs as outlined below. An increase of 20% is given for comparison.

Total receipts in this budget including the proposed precept increase are £29595 with total payments at £29595. This includes provision to build reserves.

RECEIPTS

Precept

1. A precept increase of 30%, representing a £6300 increase compared to the previous year is proposed in order to cover the expected costs including a larger input into earmarked reserves. For a Band D household this is equivalent to an increase of £26.05 or 50p a week.
2. A precept increase of 20%, representing a £4200 increase compared to the previous year is shown as a comparison, allowing cover of the expected costs but more modest input into earmarked reserves. For a Band D household this is equivalent to an increase of £17.36 or 33p a week.

Allotments

Allotment rents were not able to be increased for 2026 as there would have been insufficient notice according to legislation. However this has now been done for 2027 and the agreement updated - accordingly, the proposed budget reflects allotment income at £20 per plot.

PAYMENTS

Note that for 2026-7 the categorization of regular expenditure has been expanded for clarity. Since this was not the case for the current year a table showing current projected costs against 2026-7 budgeted costs is appended.

The budget is drafted based on the broad assumption of a general price increase of 2.5%.

In addition, there are a number of additional costs expected to be incurred or that were not allowed for in the 2025/6 budget :

1. Clerk's hours have been increased to accommodate workload.

2. External audit requirement and associated payment due to the projected increase in income in 25/6 as well as the attributable costs
3. Grass cutting - the area cut has been increased to enhance the work done by the green spaces project
4. Green spaces project- the community grant of £10000 has been received in the year 25/26 and that the associated work will be completed by the end of that year. Some of the parish council contribution to this project came out of the dedicated green spaces reserve, somewhat more than had been budgeted for. The work will be ongoing to maintain and continue to improve the green spaces - accordingly, £2000 is included in the budget for 26/27 to go to the dedicated green spaces reserve.
5. Ear marked reserves:
 - a. A number of reserves have been depleted over the year, including streetlighting, green spaces (as above). Therefore provision is made in the budget to replenish them.
 - b. It is recommended to create and set aside amounts for new reserves to plan for future purchase of office equipment, tree safety work, and towards the purchase of a new speed indicator device. The amounts input depend on which budget is agreed. It is worth noting that a 20% increase in Precept would not allow sufficient for purchase of a new SID, and the Tree Safety reserve would be minimal.
6. General Reserve: This is effectively the emergency reserve fund, which is recommended to be close to 12 months' expenditure for smaller councils, i.e. around £25,000. This is not currently the case as it stands at £6750 brought over from the previous year. Any remaining balance at the end of the financial year should be transferred to the general reserve to build it up. It is anticipated that this will be roughly £9,000. This will not affect the proposed budget.

RECOMMENDATION

The parish council approves the proposed budget for financial year 2026-2027, with associated precept increase of 30%.

Hilary Kane

Parish Clerk & RFO

Projected regular costs

	2025-6	2026-7
Admin	1995	1953
Staff	8892	9200
Donations	2770	2770
Green Spaces maintenance	5500	6050
Utilities	1270	1350
IT software & subs	678	750
Rental	720	720
Other subscriptions	302	302
Total	22127	23095