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HPC Finance Report

Earlier this year the parish council considered the parish precept. Apart from grants and subscriptions for the tennis court and coaching, the precept is our only source of income. We took the view that, in light of the detrimental effect of Covid-19 on some people's livelihoods, we should not increase the precept this year. So the council's income this year is the same as last year in real terms. At the same time, because of a minor change in the tax base for the village, the amount we are all paying as households has gone down by a quarter percent; which is one percent in real terms.

That said, the parish precept is a tiny fraction of your overall council tax bill, so any saving in that is swamped by the increases in all the other elements that make up the bill. Those range from 2% (for fire and rescue) to 7.1% (for the police); giving an overall increase of 4.8%.

That decision, to maintain the parish council's level of income, is set against a backdrop of increasing and unavoidable fixed running costs. This means we had to make cuts elsewhere in the budget. So we have eliminated some grants to good causes - Citizens Advice Bureau and Homestart for example. The contribution to the Better Streets fund has been reduced by 60% this year. Parish maintenance has been cut by 20%. That mainly affects the village hall grounds. Whether that is desirable, or even sustainable, in the long term is unknown.

Furthermore projects we had hoped to initiate this year have had to be postponed for the time being. For example we had hoped to start a fund for children's play equipment at the village hall, but that has not been possible.

If all that sounds a bit gloomy, I can at least report that the council's finances are, in a formal sense, healthy. We continue to live within our means so the books balance. The unallocated reserve stands at the equivalent of six months running costs, which falls nicely within the range of three to twelve months recommended by the Hampshire Association of Local Councils.

That's how the finances stand this year. I'm happy to answer any questions at the chairman's discretion.

Dr John Thornton
Hambleton Parish Council

