HIGHNAM PARISH COUNCIL

Comprehensive Budget, Precept Requirements & Variance Report

(FY 2026/2027 – 2027/2028)

1. Executive Summary

This report outlines the proposed budget and precept requirements for Highnam Parish Council for the financial year 2027/2028, with detailed line-by-line expenditure analysis and forward reflections for 2027/2028. Following an assessment of expected costs through March 2027, the Council has optimised its allocations to ensure ongoing financial sustainability.

Core Precept Recommendation:
It is recommended that Highnam Parish Council sets its Precept for 2026/2027 at £57,000.00. This represents a no change compared to the previous year's precept of £57,000.00, keeping tax requirements low while protecting vital reserve lines.

2. Budget & Precept Requirements Overview

Element	Amount
Projected Income	£0.00
Projected Expenditure	£57,000.00
Total Budget Requirement	£57,000.00
Last Year's Precept (Comparison)	£57,000.00
Recommended Precept (2027/2028)	**£57,000.00**

3. Line-by-Line Expenditure & Variance Breakdown

The total estimated expenditure for the current cycle is £50,947.29 against planned operational requirements, resulting in a net variance/underspend of £5,846.78.

Description	Apr-Sep Exp.	Est. Oct-Mar	Total Est. Exp.	Variance (+/-)	Actions & Budget Notes
Staff Costs	£6,359.94	7140.06	13500.00	0	Wages, tax, NI. 3.5% pay rise factored next cycle.
Councillor Expenses	£0.00	£0.00	£0.00	£100.00	Rarely used expense line. Moved to reserves.
PATA Payroll Admin	£80.70	£80.70	£161.40	-£21.40	Overspend offset by transfer from Insurance.
Insurance	£1,035.70	£43.20	£1,078.90	£121.10	Council & laptop policy. £99.70 to reserves.
Advertising	£0.00	£200.00	£200.00	£100.00	Village Link printing. Shifted to General Supplies.
Website	£0.00	£473.00	£473.00	£52.00	Set fee. Shifted to General Supplies.
Mobile Phone	£36.00	£36.00	£72.00	£8.00	giffgaff contracts. Shifted to General Supplies.
General Supplies	£1,059.30	£350.00	£1,409.30	-£309.30	Includes bank charges, paper, ink.
Room Hire	£432.44	£440.00	£872.44	£27.56	PC meetings (~£300) & DAISI (~£440).
Memberships	£921.12	£50.00	£971.12	£128.88	SLCC (£200), GAPTC/GALC (£721.12), ICO (£52).
Training	£50.00	£0.00	£50.00	£950.00	GALC Courses. Underspend moved to reserves.
Grass Maintenance	£4,592.64	£0.00	£4,592.64	-£592.64	Greenfields. Net PC cost £2,038 (GCC credit).
Bus Shelters	£55.00	945.00			Repair & painting.
Audit Fees	£598.00	£0.00	£598.00	£242.00	PKF Annual & Internal Audit. Underspend to reserves.
PWLB Loan Payment 1	£10,524.63	£10,524.63	£21,049.26	£0.00	Fixed HMRC loan commitment (Matures Dec-28).
PWLB Loan Payment 2	£3,097.85	£3,286.50	£6,384.35	£75.46	Fixed HMRC loan commitment (Matures Aug-48).

Grants / Donations	£0.00	2000		£0.00	
Environmental	£0.00	£60.00	£60.00	£440.00	Orchard/benches/sculptures. Surplus to reserves.
Maintenance of Trees	£0.00	£0.00	£0.00	£1,000.00	HCCT Complex tree safety. Moved to reserves.
TOTALS	**£28,843.32**	**£24684.09**	**£53527.41**	**3141.00**	**Net balance moved to earmarked pots.**

4. 2026/2027 vs 2027/2028 Forward Budget Projections

Cost Centre	2026/2027 Allocation	2027/2028 Projection	Key Operational Drivers
Staff Costs	£13,500.00	£13,972.50	Includes salary, tax, national insurance & inflation.
Councillor Expenses	£100.00	£100.00	Maintained baseline for regulatory expenses.
PATA Payroll Admin	£140.00	£200.00	Indexed increase for account processing.
Insurance	£1,200.00	£1,200.00	Fixed asset protection premium expectation.
Advertising	£300.00	£300.00	Reduced allocation for Village Link.
Website	£525.00	£473.00	Set contract service fees
Mobile Phone	£80.00	£72.00	giffgaff
General Supplies	£1,100.00	£1,000.00	Office operations, printer supplies, bank charges.
Room Hire	£900.00	£700.00	Covers formal PC sessions and DAISI partnership. – reduce DAISI to once a month as it is not very well used.
Memberships	£1,100.00	£1,000.00	SLCC, GAPTC, and statutory ICO
Training	£1,000.00	£1,000.00	Maintained capacity for member upskilling.
Grass Maintenance	£4,000.00	£4500.00	Reduced direct budget due to credits.
Bus Shelters	£1,000.00	£500.00	painting and repairs
Audit Fees	£840.00	£700.00	External PKF audit fee structure.
PWLB Payment 1	£21,049.26	£21,049.26	Statutory loan amortization (fixed until Dec-28).
PWLB Payment 2	£6,459.81	£6,459.81	Statutory loan amortization (fixed until Aug-48).
Grants / Donations	£2,000.00	£2,000.00	Maintained matching funds

Environmental	£500.00	£500.00	Orchard, town benches, sculpture upkeep.
Maintenance of Trees	£1,000.00	£1,000.00	Tree assessments on HCCT land.
TOTALS	**£56,794.07**	**£56726.57**	

Recommended Reserves 2026/2027

Parish Projects	£ 10,000.00	
Elections	£ 5,000.00	
Parish Maintenance	£ 5,500.00	including trees £2k
Office Equipment	£ 1,500.00	
Contingencies	£ 3,000.00	
General Reserves	**£ 15,000.00**	
Total Reserves	£ 25,000.00	

Recommended Reserves 2027/2028

Parish Projects	£11700.00		
Elections	£ 5,000.00		
Parish Maintenance	£4900.00	including trees £3k	Bus shelters sculptures
Office Equipment	£ 1,500.00		
Professional fees	£2000.00	Training included	
Contingencies	£1000.00		
General Reserves	**£14400.00**		
Total Reserves	£26100.00		