

WHPC Meeting 4th November 2025

Agenda Item 25/343

Finance Working Group: Half Year Financial Report @ 30th September 2025

1. Purpose

This paper is a short report on the financial position of WHPC at the end of **1st Half 2025-2026**. The report is based on actual income/expenditure to date at the time of review (21st October 2024) and known committed expenditure.

The Finance Working Group met on 21st October 2024 to review the accounts for the council year to date. Cllrs were satisfied that (a) the monthly reconciliations were complete and accurate and (b) the accounts software was up to date and the entries verified as correct. The Working Group then reviewed (a) actual receipts/payments against budget and (b) balance of reserves. Cllrs were satisfied that the appropriate controls were in place on invoices, payments and bank transfers.

The paper summarises the group's findings and recommendations.

2. Summary

Total funds held @ 31st March 2025*	£134,091.62	* Includes general and earmarked reserves, Community Infrastructure Levy (CIL) monies etc.
1 st April to 30 th September 2025:		
Receipts	£63,112.55	
Expenditure	£51,906.59	
Total funds held @ 30th September 2025	£145,297.58	

Key points of receipts, payments and reserves are detailed below.

3. Receipts

WHPC received receipts totalling **£63,112.55** during the first six months of 2025-26. The full year Precept **£56,875** has been received plus additional receipts of £6,237.55.

2025-2026 Precept	£56,875.00
CIL Monies received	£5,592.85
Interest received	£644.70
	£63,112.55

Looking ahead, further receipts expected include: Community Infrastructure Levy (CIL) Monies distributed by EDDC in October, interest on funds held and VAT reclaim.

4. Payments

During the first six months of the Council's year payments were made against budget and as planned, against reserves earmarked for Council Projects.

Expenditure April-Sep 2025:

Payments against Precept	£27,046
Payments from Earmarked Reserves	£21,302
	£48,348
VAT (to be reclaimed)	£ 3,558
Total payments	£51,906

Key points of expenditure are detailed below.

4.1. Payments against Precept

Payments made against Precept during the first six months of the Council years are summarised below:

Payments £	2025-26 Full year Budget	YTD Expenditure April-Sep 2025	Budget remaining
Operational Expenses incl staff costs	44,815	20,315	55%
Playpark	2,166	1,087	50%
Public Spaces	6,286	3,303	47%
WHPC Grant Awards/ provisions	3,000	1,150	62%
Contingency	2,500	1,191	52%
	£58,767*	£27,046*	54%

Note * WHPC set a budget for 2025-26 at £58,767 but held the annual Precept at £56,875 by seeking to make savings during the year. * Excludes VAT payments to be reclaimed

During April-September several items of unbudgeted expenditure have been approved by Council. However, they are offset by savings elsewhere or funded from contingency.

Unbudgeted payments include:

- a. The Council has incurred expenditure to meet new requirements for Local Authority digital and data compliance. These include:
 - o Technical changes to the Council's website to meet new Website Accessibility legislation.
 - o Subscription to Breakthrough Communications GDPR Toolkit and resources.
- b. Staff costs - increase to employers national insurance costs.
- c. Summer Fete – crazy golf event to promote engagement with the community.

4.2. Payments from Earmarked Reserves

As planned, during the first six months of the Council year, the Council has made payments from reserves earmarked for two projects: development of a new Neighbourhood Plan Project and Village Hall Path Project.

- a. **Neighbourhood Plan:** Expenditure included a subscription for online survey tools to facilitate a community survey to inform the project.

- b. **Village Hall Path Project:** The Village Hall path project was completed during 2025. The associated professional fees and construction costs have been funded from an earmarked reserve and Community Infrastructure levy monies. Works on West Hill required a Section 278 legal agreement with Devon County Council and the submission of a £9,481.05 cash deposit which should be refundable 12 months following completion of the works.

Costs for several outstanding invoices will be incurred in the 2nd half of the Council year. These include, but not exclusively, works on West Hill Road including (groundworks, traffic management and lines marking) £ £6,918.97+vat, Stage 3 Road Audit £1,300+vat.

In summary,

Earmarked Reserves at 1 st April 2025 (£)		Expenditure April-Sep 2025	
Village Hall Path Project	23,847	9,823*	* Includes a refundable s278 deposit, £9,481.05
Replacement Playpark Equipment	10,000		
Open Spaces	12,000		
Community Infrastructure Monies	29,836	10,967	
Neighbourhood Plan Project	10,000	511	
By- Election Expenses	6,000		
Contingency	13,409		
Total (excl VAT)		£105,092	£21,302

5. Forecast for Full Year 2025-26

The Finance Working has carried out a detailed assessment of all areas of expenditure, taking into account:

- a. WHPC has incurred additional **External Audit fees** of £1,065.00+vat (payable Oct-25) due to an Objector's challenge to the Council's Annual Return for 2024/5. These costs are outside the control of the Council. The costs relate to the Auditor's time spent processing the challenge. (Ref Min 25/317).
- b. WHPC decisions such as storage for Parish Council equipment and archive.

The Finance Working Group forecasts an underspend of £3,451 against the full year budget of £58,767. However, as the Parish Council decided to leave the annual Precept unchanged at £56,875 the forecast represents an underspend of £1,559. against the Precept £56,875. Also, receipts of VAT reclaim and interest on funds will result in further savings against budget.

The Finance Working Group will continue to monitor expenditure and seek to manage costs within Precept.

Looking ahead, the Finance Working Group has identified a number of threats to maintain costs within the 2025-26 budget or may impact on the 2026-2027 budget:

- a. The Council has adopted an IT policy and will consider the unbudgeted provision of **Council owned IT devices** to meet new requirements for Local Authority digital and data compliance.

- b. **Playpark:** The annual RoSPA inspection of the playpark rated the triple swing to be low risk to the public but noted that fixings and areas of decayed timber should be monitored. Due to the age and level of decay the Council may consider further repairs may not be cost-effective.
- c. Transfer of assets and/or assets to Town/Parish Council arising from **Local Government Reform in Devon**.
- d. The Government decision to withdrawn grant funding for the development of **Neighbourhood Plans** may lead to additional WHPC future costs to support the project.
- e. Increased Insurance costs leave little/no budgeted funds for Cyber Insurance/Data Breach Cover if required by Council.
- f. **Public Spaces:** The Lengthsman contract for 2026 is yet to be agreed but is expected to increased costs Apr-26 onwards.

6. Recommendations

Councillors are asked to

- a. accept this report, and
- b. publish this report on the WHPC website.

Finance Working Group 21st October 2025