

WHPC Meeting 6<sup>th</sup> January 2026  
Agenda Item 26/011  
Finance Working Group: 2026-27 Budget and Precept

1. **Purpose:** For the Council to formally resolve the **2026-27 Budget and Precept demand** for submission by the Clerk/RFO to EDDC.

2. **Background**

At the WHPC meetings on 4<sup>th</sup> November and 2nd December 2025 (agenda item 25/370) Councillors considered:

- Revised 2026-26 forecast full year receipts and costs
- Forecast and earmarked reserves
- Ongoing and future projects
- CIL and s106 monies available to West Hill
- Timetable for submission of the Precept Demand to EDDC in mid-January
- Draft budget for 2026-27
- The impact of various scenarios for the scale of the Precept Demand

The Council:

- a. Considered a recommendation for 2026-27 project costs to be funded from S106, CIL, Reserves or third-party grant funding as appropriate, subject to eligibility. No issues were raised.
- b. Considered whether the proposed 2026-27 budget £62,226 met the needs of the Council. No issues were raised and no further work was requested.
- c. Noted a potential shortfall against the 2026-27 Precept if it remains unchanged at £56,875. Should this occur, Cllrs were satisfied that sufficient Reserves were available if this should occur.
- d. Councillors discussed various Precept scenarios ranging from no increase to +10%. The Council's operational costs are increasing but Councillors were mindful that residents have been subjected to steep rises in the cost of living.

3. **For Decision 2026-27 Budget**

The Finance Working Group recommends the budget for 2026-27 is set at £62,226.

For decision:

- a. **Is the Council satisfied that a budget for 2026-27 of £62,226 for 2026-27 meet its needs?**
- b. **To resolve to set the budget for 2026-27.**
- c. **All 2026-27 projects will be funding from reserves, CIL, s106 or by third party grant awards**

4. **WHPC Precept for 2026-27**

- 4.1. Parish Council Precept + Council Tax Bills

Each Town/Parish Council forecasts the amount of funding it will require for the following year: it's budget. The Council must ensure that the Council has sufficient income/reserves to meet its needs for the year. The Council does not receive any Government funding and derives its income via a Precept from its local District Council. The Precept is collected via the local Council Tax bills issued by EDDC to households within the West Hill Parish.

Council Tax bills received by households include several elements:

- Council Tax levied by East Devon District Council
- Precept tax charged by the local Parish or Town Council.
- Police and Fire Authorities

The Precept set by Parish/Town Councils across East Devon vary significantly as each Precept reflects

the services provided (such as cemeteries), facilities managed (eg Village /Town Hall) or projects underway.

#### 4.2. How is the Precept Tax charged by a Parish Council calculated?

The Precept Tax charged on a Band D property in the Parish is equivalent to the Parish Council Precept divided by its tax base. The tax on households in other tax bands are calculated as follows:

		For example
Band A	= 6/9ths of Band D	£13.33
<b>Band D</b>	= Precept/Tax Base for Parish	<b>£20.00</b>
Band F	= 13/9ths of Band D	£28.89
Band H	= 18/9ths x Band D	£40.00

#### 4.3. 2026-27 Precept for West Hill?

When determining its Precept Demand the Council has an obligation to ensure that it has sufficient income/reserves to meet its needs in 2026-27 but also to manage its reserves responsibly and not accumulate surplus funds.

The Finance Working Group have recommended the budget for 2026-27 is set at **£62,226**. This is higher than the annual Precept Demand in recent years. If the Council chooses to set the Precept Demand at £62,226, this would be an annual increase of £4,351 (7.5%).

For 2025-26 WHPC resolved to set an unchanged Precept Demand, £56,875, despite setting a budget at £58,767. Should an overspend against budget occur, Council resolved to fund this from reserves. During 2025-26 the Council has managed expenditure carefully and forecast an underspend for the full year.

The table below shows previous WHPC Precept Demands and considers various options for the Precept Demand for 2026-27.

West Hill	Precept	Tax Base Supplied by EDDC	Band D	Notes (a)
				Average East Devon Band D
2022-23	£56,875	1,156	£49.20	£74.00
2023-24	£56,875	1,165	£48.82	£79.35
2024-25	£56,875	1,168	£48.69	£91.57
2025-26	£56,875	1,168	£48.69	£95.48
<b>2026-2027</b>		<b>1,163</b>		
-£500	£56,375	1,163	£48.47	
No change	£56,875	1,163	£48.90	
+£500	£57,375	1,163	£49.33	
+£1,000	£57,875	1,163	£49.76	
Recommended budget	£62,226	1,163	£53.50	If Precept Demand is set to match the recommended budget

The Finance Working Group have recommended that the WHPC Precept Demand for 2026-27 is set at £56,875 and unchanged from previous years. The General reserve is used to fund any shortfall against budget.

#### 4.4. Deadline for Submission

The WHPC Precept Demand should be submitted by **Wednesday 14<sup>th</sup> January 2026**.

#### 4.5. For Decision 2026-27 Precept Demand

**Cllrs are invited:**

**a. to resolve to set the WHPC Precept Demand for 2026-27**