The precept calculation for 2025 – 2026

WDC has confirmed that the 2025/26 Council Tax base for Pevensey parish will be 1377.9 properties, an increase of 31.5 on the 2024/25 tax base.

The Council Tax base is the statutory calculation of the number of 'chargeable' households for each parish of the district and is used by WDC, as the Council Tax billing authority, to calculate the Council Tax in each area.

The parish Council Tax is calculated by dividing the council precept by the Council Tax base figure. This provides the band D Council Tax figure.

The 2025/26 council precept figure of £156,206 is therefore divided by the 2025/26 tax base figure of 1377.9 to calculate the band D parish Council Tax of £116.75 per year.

This represents an increase of 5.1% on the 2025/26 council precept figure, which amounts to an increase of £5.69 per year, £0.47p a month or £0.11p per week per band D household.

Precept calculations for 2025 to 2026.

	Amounts	
Current Year Fund (06.12.24)	£	47,1974.94
Estimated total still to pay this year	£	31,537.00
Estimated total remaining in the Current Year Fund at year end (excluding General Reserves and EMR)	£	16,437.94
Balance of General Reserves Account and EMR (06.12.24) (this excludes the EMR of £15,220.61 held for the EWCC)	£	213,674.39
Total balance in the Account (exc EMR EWCC)	£	230,112.33
Councils Reserves		
General Reserves	£	135,880.15
Councils EMR	£	77,794.24
EWCC EMR	£	15,220.61
Total Amount in EMR and General Reserves (exc EMR EWCC)	£	213,674.39
Brought forward to balance the budget	£	23,879.00
Estimated PPC Income for 24 –25	£	7,208.00
Total Amount	£	31,087.00
Budget Requirement	£	187,293.00
Precept requirement 2025 - 26	£	156,206.00
PPC funds to balance the budget	£	31,087.00
Total Budget	£	187,293.00

The parish council is required to hold between 3 - 12 months of net revenue expenditure in its general reserves to prepare the council financially for the future and also covers the depreciation of its assets. After the use of reserves to help balance the budget, the remaining balance leaves the council with about 6.5 months of reserves.

The band D charge is calculated as the precept is divided by the tax base (the number of band D equivalent dwellings in the parish).

- Tax base in 2023/2024 was 1354.0, precept was £142,441, so band D charge is £142,440/1354.0 = £105.20

- Tax base in 2024/2025 was 1346.4, precept was £149,535, so band D charge is £149,535/1346.4 = £111.06

So, for a band D property, the parish council precept increase paid by the council taxpayer for 2025/2026 will be £116.75.

Therefore, the proposed budget for 2025/26 represents an increase in the parish council's element of precept of £5.69 per year per band D household which equates to just over £0.11 per week or 5.1%

Main reasons for budget increase 2025/26:

[1]Inflation on the total budget at 2.9%[2]	£5,382.20
Staff salary	£2,379.52
EMP NI	£5,105.64
EMP PEN	£1,235.52
Street light maintenance & electricity	£2,200.00
Insurance	£500.00
Urban verge grass cutting	£110.00
Grant Funder	£2,000.00
Dog bin and bin emptying	£550.00
Website	£1,760.20
Total	**£ 15,840.88**

The total increase for the overall parish council budget for 2025/2026 is £15,840.88

To cover the budget increases and the financial pressures the parish council are faced with, £6,671.00 will be covered by the precept. The remaining balance will be covered by the reallocation and saving from the parish councils existing funds.

[2] https://www.rateinflation.com/inflation-rate/uk-inflation-rate/
Budget Report – 03.12.24 – Agenda 133 - It is felt that CPI is the most appropriate measure of inflation for our budget setting and that council should use an average (financial year to date) rather than relying solely on an individual monthly figure which may be subject to significant change month to month.
The CPI average for the period October 2023 to October 2024 was 2.9%.