COPYTHORNE PARISH COUNCIL

A meeting of the Finance Advisory Committee will be held via Zoom Video Conference on Thursday November 19th 2026 starting at 12pm.

In accordance with the Local Government Act 1972 (s.100) the public are able to attend and observe meetings of the Finance Advisory Committee but do not have the right to participate (unless invited to do so by the Chairman of the meeting).

If you would like to attend then type https://zoom.us/join into your internet browser. The Meeting ID is 822 2245 9441 and the passcode is 715898.

Members of Advisory Committee:
Voting:- Cllrs Graham Chillcott (Chair); Sherri Johnstone; Jackie Rhodes; Sylvia Wiggins; Graham Caton
Non Voting:- Mr. David Rigby – Clerk and RFO

A G E N D A

1. Apologies for absence.
2. Declarations of Interest.
3. Review of notes of previous meeting (October 1st 2026).
4. Consideration of a draft General Reserves Policy for presentation to Council.
5. Review of Reserves (as at October 31st 2026).
6. To discuss and approve a recommendation to Council of the 2027/28 Budget and Precept.
7. Discussion of other matters relating to the Aims and Responsibilities of the Finance Advisory Committee.
8. Agree date for next meeting.

Copythorne Parish Council – Finance Advisory Committee Meeting – November 19th 2026

Item 3 – Review of notes of previous meeting (October 1st 2026)

A meeting of the Finance Advisory Committee was held via Zoom Video Conference on Thursday October 1st 2026 starting at 12pm.

Members of Advisory Committee present:
Voting:- Cllrs Graham Chillcott (Chair); Sherri Johnstone; Jackie Rhodes; Sylvia Wiggins
Non Voting:- Mr. David Rigby – Clerk and RFO

A G E N D A (with **draft** notes of discussions)

1. **Apologies for absence.**
   None

2. **Declarations of Interest.**
   None

3. **Review of notes of previous meeting (July 16th 2026)**
   All voting members at the last meeting were happy that the notes of the meeting held on July 16th 2026 accurately reflect the discussions.

4. **Verbal update on Conclusion of Audit for 2025/26 and new arrangements for 2026/27 Annual Governance and Accountability Return (DR).**
   DR (as RFO) advised that the External Auditor issued the "External Auditor's Report and Certificate" (Section 3 of the AGAR) on July 29th 2025. No issues were raised. He confirmed that the Notice of Completion of Audit (and Sections 1-3 of the AGAR) was added to the Council's website on August 24th 2026 following his return from leave. A paper copy of the notice was also added to all seven Council noticeboards and remained in place for a period of 14 days.

   DR advised that the AGAR for 2026/27 will be submitted to the External Auditors digitally following a change in the process.

   Members of the Advisory Committee asked that their thanks for the RFOs hard work on the 2025/26 AGAR and the finances of the Council in general be noted.

5. **Review of the report prepared by the Responsible Financial Officer of expected income and expenditure against the approved budget for the six months to September 30th 2026. (DR).**
   DR (as RFO) talked members through a copy of his report. Report noted, no questions raised.

6. **Discussion of other matters relating to the Aims and Responsibilities of the Finance Advisory Committee.**
   None

7. **Agree date for next meeting.**
   Thursday November 19th 2026, 12pm (provisional)

   Meeting closed at 12.34pm

COPYTHORNE PARISH COUNCIL – FINANCE ADVISORY COMMITTEE MEETING – NOV 19TH 2026

Item 4 – Consideration of a draft General Reserves Policy for presentation to Council.

BACKGROUND

Copythorne Parish Council is required to maintain adequate financial reserves to meet the needs of the organisation. The purpose of this policy is to set out how the Council will determine and review the level of reserves.

Section 49A of the Local Government Finance Act 1992 requires that billing and precepting local authorities in England and Wales have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. This legislation though doesn't specify the level of reserves that an authority should hold and it is the responsibility of the Responsible Financial Officer to advise the Council about the level of reserves and to ensure that there are procedures for their establishment and use.

Details of the level of reserves are shared with Council (usually in January) as part of its consideration of the Council's "Risk assessment of financial systems internal controls" and also as part of the review of financial matters at the Annual Parish Council meeting (in May). The are also shared with the Council's Internal and External auditors as part of the Annual Governance and Accountability Return ("AGAR") process.

In their Practitioners Guide for the 2026/27 Financial Year, the Smaller Authorities Proper Practices Panel ("SAPPP") who oversee the AGAR process, say the following under point 1.13 of the guide:-

"Reserves - The authority needs to have regard to the need to put in place a General Reserve Policy and have reviewed the level and purpose of all Earmarked Reserves."

CURRENT POSITION

Attached is a draft General Reserves Policy which follows a template policy produced by the Society of Local Council Clerks

REQUIRED ACTION

Members of the Finance Advisory Committee are asked to review and discuss the draft General Reserves Policy and agree on a Policy to be presented to the December 8th 2026 Council meeting with a recommendation to approve its adoption.

David Rigby
Clerk and Responsible Financial Officer
Copythorne Parish Council
November 4th 2026

COPYTHORNE PARISH COUNCIL – RESERVES POLICY

Introduction

Copythorne Parish Council is required to maintain adequate financial reserves to meet the needs of the organisation. The purpose of this policy is to set out how the Council will determine and review the level of reserves.

Section 49A of the Local Government Finance Act 1992 requires that billing and precepting local authorities in England and Wales have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. This legislation though doesn't specify the level of reserves that an authority should hold and it is the responsibility of the Responsible Financial Officer to advise the Council about the level of reserves and to ensure that there are procedures for their establishment and use.

Types of Reserves

Reserves can be categorised as general or earmarked.

Earmarked reserves can be held for several reasons:

• Renewals – to enable services to plan and finance an effective programme of vehicle, equipment and infrastructure replacement and planned property maintenance. These reserves are a mechanism to smooth expenditure so that a sensible replacement programme can be achieved without the need to vary budgets.

• Carry forward of underspend - some services commit expenditure to projects, but cannot spend the budget in year. Reserves are used as a mechanism to carry forward these resources.

• Insurance reserve – to enable the Council to meet the excesses of claims not covered by insurance.

• Other earmarked reserves may be set up from time to time to meet known or predicted liabilities.

General Reserves are funds which do not have any restrictions as to their use. These reserves can be used to smooth the impact of uneven cash flows, offset the budget requirement if necessary or can be held in case of unexpected events or emergencies.

Earmarked Reserves

Earmarked reserves will be established on a "needs" basis, in line with anticipated requirements.

Any decision to set up a reserve must be made by the Council.

Expenditure from reserves can only be authorised by the Council.

Reserves should not be held or used to fund on-going expenditure. This would be unsustainable as, at some point, the reserves would be exhausted. To the extent that reserves are used to meet short term funding gaps, they must be replenished in the following year. However, earmarked reserves that have been used to meet a specific liability would not need to be replenished, having served the purpose for which they were originally established.

All Earmarked Reserves are recorded on a central schedule held by the Responsible Financial Officer which lists the various Earmarked Reserves and the purpose for which they are held. A review of this schedule will form part of the annual budget and precept setting process.

Reviewing the Council's Financial Risk Assessment is part of the budgeting and year end accounting procedures and identifies planned and unplanned expenditure items and thereby indicates an appropriate level of Reserves.

General Reserves

The level of General Reserves is a matter of judgement and so this policy does not attempt to prescribe a blanket level. The primary means of building general reserves will be through an allocation from the annual budget. This will be in addition to any amounts needed to replenish reserves that have been consumed in the previous year.

Setting the level of General Reserves is one of several related decisions in the formulation of the medium term financial strategy and the annual budget. The Council must build and maintain sufficient working balances to cover the key risks it faces, as expressed in its financial risk assessment.

If in extreme circumstances General Reserves were exhausted due to major unforeseen spending pressures within a particular financial year, the Council would be able to draw down from its earmarked reserves to provide short term resources.

Even at times when extreme pressure is put on the Council's finances the Council must keep a minimum balance sufficient to pay one month's salaries to staff in General Reserves at all times.

Current level of Financial Reserves

The level of financial reserves held by the council will be agreed by the Parish Council during the discussions held regarding the setting of the budget for the next financial year.

The Smaller Authorities Proper Practices Panel ("SAPPP") offers the following guidance in their Practitioners Guide for the 2026/27 Audit Year:-

5.34 - The generally accepted recommendation with regard to the appropriate minimum level of a smaller authority's general reserve is that this should be maintained at between three and twelve months of net revenue expenditure.

5.35. The reason for the wide range is to cater for the large variation in activity level between individual authorities. The smaller the authority, the closer the figure may be to 12 months expenditure, the larger the authority, the nearer to 3 months. In practice, any authority with income and expenditure in excess of £200,000 should plan towards 3 months equivalent general reserve.

On the basis of the SAPPP guidance above the Council has agreed that it should seek to maintain a General Reserve at a level of between 30-50% of the annual precept request.

-END-

POLICY ADOPTED ON xx/xx/xxxx

COPYTHORNE PARISH COUNCIL – FINANCE ADVISORY COMMITTEE MEETING – NOV 19TH 2026

Item 5 – Review of Reserves as at October 31st 2026

BACKGROUND

The Council hold two types of Reserves, these are:-

- General Held to cover unexpected or unplanned expenditure.
- Earmarked Held to cover known or expected future expenditure.

The Hampshire Association of Local Councils has the following to say with regard to General Reserves:-

"It is recommended that a council holds approximately 3-9 months revenue cost in a general reserve. This general reserve can be used for unexpected expenditure over the year, for example, if a piece of equipment needs to be replaced urgently and no budget has been allocated."

In their Practitioners Guide for the 2026/27 Financial Year, the Smaller Authorities Proper Practices Panel ("SAPPP") who oversee the Annual Governance and Accountability Return "("AGAR") process, say the following under point 5.207 of the guide:-

"As authorities have no legal powers to hold revenue reserves other than those for reasonable working capital needs, or for specifically earmarked purposes, whenever an authority's year-end general reserve is less than three months or more than twelve months of net revenue expenditure an explanation should be provided to the external auditor."

One of my responsibilities as the Council's Responsible Financial Officer is to maintain a schedule of the Council's Reserves. One of the responsibilities of the Finance Advisory Committee, as detailed in its Terms of Reference", is as follows:-

" 7. Reviewing the Council's cash (and if applicable investment) reserves so that they may be kept at a level appropriate to financial risk; also identify and earmark reserves for specific projects."

Details of the level of reserves are also shared with Council (usually in January) as part of its consideration of the Council's "Risk assessment of financial systems internal controls" and also as part of the review of financial matters at the Annual Parish Council meeting (in May). The are also shared with the Council's Internal and External auditors as part of the Annual Governance and Accountability Return ("AGAR") process.

CURRENT POSITION

Attached is a schedule detailing the Council's current Reserves:-

- General The total amount held and the level of annual precept that it represents
- Earmarked The designation; the amount held; and the reason/expected use

REQUIRED ACTION

1. As the Council's Responsible Financial Officer, I will talk the Finance Advisory Committee members through the schedule and provide more details if required.

2. Members of the Finance Advisory Committee are asked to review the schedule in accordance with the responsibility detailed in the "Terms of Reference" for the Finance Advisory Committee and suggest any recommendations to Council for changes to the Reserves.

David Rigby
Clerk and Responsible Financial Officer
Copythorne Parish Council
November 4th 2026

COPYTHORNE PARISH COUNCIL - FINANCE ADVISORY COMMITTEE MEETING - NOVEMBER 19TH 2026

ITEM 5 - RESERVES AS AT OCT 31ST 2026

EARMARKED RESERVES	ACTUAL AT 01/04/2026	ADDED IN 2026-27	USED IN 2026-27	ACTUAL AT 31/10/2026	NOTES
Donated Funding for Adopted Phone Boxes	591.33		-350.00	241.33	Donation - Long term project
Parish Council Playground Fund	5500.00			5500.00	"Sinking Fund" for equipment replacement, growing annually
Bench Maintenance/Replacement	3500.00			3500.00	Held for future replacements
Parish Hall External Games Area	2000.00			2000.00	Held for expected future refurbishment
I T Equipment Replacement	748.01			748.01	Being re-built annually
Waste Bins	500.00			500.00	For possible future acquistion of additional bin/replace existing
Elections	2500.00			2500.00	Held for future elections
Parish Noticeboards Replacement	127.77			127.77	Remainder after purchase of final two noticeboards (held for repairs)
Speedwatch device	2000.00			2000.00	Awaiting invoice to spend (from 2022/23)
Lengthsman Scheme	7186.00			7186.00	To be held in case of loss of HCC funding in future years
Clerk's CiLCA Training Costs	500.00			500.00	Not expected to be spent in 2025/26
FOCP donation for playground	4.04		-4.04	0.00	Used in 2026/27
Dist & County Cllr Grants held for projects	1545.00			1545.00	Retained for future projects
Splitwind Pond Maintenance Fund	690.85			690.85	To be used gradually over next few years
Parish Design Statement/Neighbourhood Plan	1483.50			1483.50	With PDS complete, consider holding for other planning related matters
Training	184.80			184.80	Held to be used on future councillor training
Visual Playground Inspection Training	600.00			600.00	To be used on renewal training booked for Q4 2026/27
Environmental Projects	1000.00		-70.00	930.00	Held for future projects (£70 spent on bulbs for Splitwind Pond)
Commemorative Events	5.00			5.00	Held for future projects (could be transferred to General reserves?)
Donation re Defib at Empress of Blandings	634.97			634.97	Donation specific to this defib & general defib training
War Memorial renovation	500.00			500.00	Expected to be used in along with other funds in 2027/28.
Future Projects Reserve	6000.00			6000.00	Held for future projects
Donation for bench (purchase and maintenance)	0.00	1810.00	-1710	100.00	£1,710 used for bench purchase on July 20th 2026
SUB TOTAL	**37801.27**	**1810.00**	**-2134.04**	**37477.23**	

UNALLOCATED RESERVES	ACTUAL AT 01/04/2026	ADDED IN 2026-27	USED IN 2026-27	ACTUAL AT 31/10/2026	NOTES
Surplus funds held for general purposes	10543.76			10543.76	Balance between Desginated reserves & Year End Bank Bals **
Tfr from General Reserve to Current A/C				0.00	Spend during 2026-27
SUB TOTAL	**10543.76**	**0.00**	**0.00**	**10543.76**	

TOTAL RESERVES	**48345.03**	**48020.99**	**ADDITIONAL NOTES**
			** General Reserve should be third/half of annual spending
SENSE CHECK (Reserves Acct Bal @ 31/10/26)		**48020.99**	(current funds equate to 34.8% of 2026/27 precept)

COPYTHORNE PARISH COUNCIL – FINANCE ADVISORY COMMITTEE MEETING – NOV 19th 2026

Item 6 – To discuss and agree a recommendation to Council for the 2027/28 Budget

BACKGROUND

Every year at around this time, Council needs to consider what it needs by way of funding for it's activities for the coming financial year (which commences on April 1st 2027).

The initial responsibility for this task falls to the Finance Advisory Committee as detailed in its Terms of Reference", the first of which reads as follows:-

"Preparing budgets and recommending precepts and submit them to the Council for approval."

As the Council's Responsible Financial Officer my role in this process is to prepare an initial draft of the budget setting out the known or expected costs. I also have to indicate other sources of funds available to the Council that could be used to cover some of those costs before arriving at the likely level of precept that our principal authority (New Forest District Council) needs to collect from Council Tax payers on our behalf. Those other sources of funds include reserves *(which will have been talked about under Item 5 on the agenda for this meeting)* already held and interest earnt on those reserves. As the Council doesn't provide any chargeable services then we have no income (or costs) associated with that.

CURRENT POSITION

Attached is a draft budget prepared by myself in the manner detailed above.

REQUIRED

Members of the Finance Advisory Committee are asked to consider the attached budget; suggest changes where felt necessary; and then agree a budget (and in turn a precept level) to present to Council for approval at the December 8th 2026 Council meeting. Once agreed by Council the precept request will be submitted to NFDC before their usual deadline of mid January.

David Rigby
Clerk and Responsible Financial Officer
Copythorne Parish Council
November 4th 2026

COPYTHORNE PARISH COUNCIL - FINANCE ADVISORY COMMITTEE - NOVEMBER 19TH 2026

ITEM 6 - To discuss and agree a recommendation to Council of the Budget for 2027/28 **RFO DRAFT**

	2026/27			2027/28	2027/28
EXPENDITURE	**BUDGET**	**SPEND ?**	**NOTES FOR 2027/28**	**BUDGET**	**UPLIFT**
1.Clerk's Costs	**£**	**£**			
Salary	16500	16000	Allows for Annual Pay Review & possible increase in employer NI	16800	1.8
Room Allowance	300	300	No increase (currently at HMRC agreed rate)	300	0.0
Mileage	240	350	Increase to 2026/27 budget to cover HMRC rate uplift from April 2027	400	66.7
Payroll	165	165	Inflation increase on 2026/27 budget and expected spend	175	6.1
Section Total	17205	16815		17675	2.7
2,Office Costs					
Gen Office Admin	135	120	No change from 2026/27 budget (allows for inflation increase on spend)	135	0.0
Office Phone	220	200	No change from 2026/27 budget (allows for inflation increase on spend)	220	0.0
IT Equip	200	200	Continue to build reserve (for laptop/printer etc. replacement)	200	0.0
Virus Protection	60	50	No change from 2026/27 budget (allows for inflation increase on spend)	60	0.0
Data Protection	55	47	No change from 2026/27 budget (allows for inflation increase on spend)	55	0.0
Software Licenses (inc. Zoom)	300	200	No change from 2026/27 budget (allows for inflation increase on spend)	300	0.0
Bank Charges	75	50	No change from 2026/27 budget (allows for expected price uplift)	75	0.0
Section Total	1045	867		1045	0.0
3.General Admin					
Room Hire & Broadband	600	600	Reflects expected rent increase	630	5.0
Stationery/Postage/Printing	350	320	No change from 2026/27 budget (allows for inflation increase on spend)	350	0.0
Newsletter	700	700	Inflation increase on 2026/27 budget & expected spend	735	5.0
Stanley's Own Magazine	250	150	Expected increase on 2026/27 expected cost	175	-30.0
Annual Parish Meeting	50	50	Inflation increase on 2026/27 budget	60	20.0
Defib Consumables	250	250	Inflation increase on 2026/27 budget (underspend will go to reserves)	265	6.0
Website Maintenance	750	780	Inflation increase on 2026/27 cost	820	9.3
Section Total	2950	2850		3035	2.9
4.Subs/Mandatory/Grants					
HALC/NALC Subs	1100	911	Reflects expected subscriptions	1000	-9.1
SLCC Subs	220	200	No change from 2026/27 budget (allows for inflation increase on spend)	220	0.0
NFDC GIS/Parish Online	250	280	Covers cost of both (after reduced Parish Online discount)	300	20.0
Audit Fees	700	700	Inflation increase on 2026/27 budget & expected spend	750	7.1
Insurance	900	881	Expected based on rising market despite "Long Term Agreement"	925	2.8
Elections	0	0	Reserves won't cover latest NFDC estimated of circa £2.3k per ward	1000	0.0
Training	500	500	Allows for ongoing costs	500	0.0
S137 Grants	1000	1000	Expected grant making to local organisations	1000	0.0
Wreath	30	23	No change from 2026/27 budget	30	0.0
CPRE Subscription	40	36	Reflects expected subscription	40	0.0
Section Total	4740	4531		5765	21.6
5.Misc					
Chair's Allowance	250	250	No change from 2026-27 budget	250	0.0
External Asset Maint.	250	250	Uplift to reflect expected repairs needed in 2027/28	300	20.0
Telephone Boxes	250	250	Expected maintenance spend	250	0.0
Splitwind Pond	500	500	Expected maintenance spend	500	0.0
Lengthsman CPC	500	500	Reserve to cover possible HCC budget cut has now been built	0	-100.0
SectionTotal	1750	1750		1300	-25.7
6.Playground					
RPII Operational Inspection	125	125	Modest increase on expected 2026/27 spend	135	8.0
RPII Annual Inspection	125	125	Modest increase on expected 2026/27 spend	135	8.0
Maintenance	500	1750	No change on expected 2026/27 spend	500	0.0
Longer term maintenance	500	500	Continue building up reserve	500	0.0
Playground Insp. Training	200	200	No change from 2026/27 budget	200	0.0
Section Total	1450	2700		1470	1.4
Other Items/Projects					
Contingency Fund	500	0	No change from 2026/27 budget (underspend to General Reserve)	500	0.0
War Memorial Cleaning	0	0	To be added to War Memorial cleaning reserve	500	#DIV/0!
Possible consequences of LGR	1000	1000	£1,000 for 2026/27 will now be held as an Earmarked reserve	0	-100.0
Bartley/Copythorne Defib	0	0	Defibs now over 10 yrs old (funds from Future Projects reserve)	2000	#DIV/0!
Possible Staffing Restructure	0	0		2500	#DIV/0!
Section Total	1500	1000		5500	266.7
TOTAL	30,640	30,513		35,790	16.8
INCOME	**BUDGET**	**RECEIPT?**			
Precept	30,340	30340	2027-28 Precept increase of £2,650*	33,490	10.4
Bank Interest	300	250	Expected interest income	300	
Transfers from Reserves	0	0	From Future Projects Reserve to cover Defib replacement x2	2,000	
TOTAL	30,640	30590	(* Precept increase of £2.54pa for avg Band D property)	35,790	16.8
			(Would increase Band D from £24.41 to £26.95pa, still lowest in NFDC)		