

**PENCOMBE GROUP PARISH COUNCIL**  
**Minutes of the Meeting of Pencombe Group Parish Council**  
**held on**

**Tuesday 26 November 2024 at 7.30pm in Pencombe & Little Cowarne Parish Hall**

**Councillors Present;**

Cllr. J. Lewis	Cllr. T. Brazier
Cllr. C. Hadley	Cllr. D. Legge
Cllr. T. Burge	Cllr. P. Thomas

**In Attendance:** Bruce Baker, Ward Councillor, Allan Drew Parish Clerk

**Members of the Public:** 5 members of the public attended.

**153/24 To receive:** apologies for absence

Cllr. Legge sent his apologies

**154/24 To receive:** Declarations of Interest and written requests for Dispensation

None received

**155/24 To receive and approve:** draft minutes of the meeting of 22<sup>nd</sup> October 2024

The minutes were agreed and signed by the Chairman

**156/24 To receive:** Matters arising not otherwise covered in the minutes

Cllr. Brazier raised the possibility of access to a stand-by generator should there be a power cut of lengthy (more than a day) duration as has happened in the past. Most residents relied on electricity to provide heating (if only to power the oil-fired heating) and a lengthy power cut in winter could put residents, particularly vulnerable ones, in a difficult position. The Parish Hall would be a natural refuge point in these circumstances and a generator serving the Hall could power the heating system and perhaps also simple low power cooking. The first step would be to provide a teed-in connection allowing a generator to provide power to the Hall wiring system.

Mr Nicholson agreed to ask Mr Merriman for a price to fit the connection and any associated switchgear.

**157/24 To receive:** a verbal update from the Ward Councillor

Cllr. Baker reported that-

- Last month's Parish summit was well received and would be repeated.
- The new housing target had increased from 16,000 to 27,000 up to 2041. The problem with this target is the phosphate credit system which had essentially filled up with no more credits available. The planning application for Flaggoners Green (Bromyard) had been approved on appeal.
- There is a match funded scheme for defibrillators but the Group Parishes were already properly provisioned.
- Floods were currently a big problem but there is a grant (£0.5m) available to parishes for drainage improvement work.



- A lengthy email had been received from Mr Foster expressing his concerns about flooding in Pencombe village centre.
- A warning had been issued about dealing in crypto currencies.
- A new centre for rough sleepers had opened in Widemarsh St.
- £8m had been allocated for road improvements.

Cllr. Hadley again raised the matter of the damaged safety barrier in Little Cowarne. He had been in contact with (probably a BB employee) who had promised a meeting in a few days but again nothing had happened. Cllr. Hadley also commented that the "service level agreement" of replying to emails within a week was not being followed.

Cllr. Baker would urge the matter again.

Mrs Drew asked if the £8m road fund had been committed (it had) so what are the chances of further road works being funded? Cllr. Baker explained the reporting process which placed projects into the queue of work to be done. Cllr. Brazier observed that the recent BB project in Pencombe (drain renewal adjacent to New House farm) had been a total waste of money with even the contractor stating he had no idea why he had been instructed (and paid) to carry out these 11 days of work.

The conclusion is that officers instructing works are not fit for purpose.

Mr. Pardoe reported a similar situation with BB erecting signs in Pencombe centre, doing no work to remedy the drainage problems and then simply leaving.

Cllr. Baker understood these concerns and stated that BB would not have their contract renewed.

#### **158/24 To receive:** queries or concerns from local residents to Council & Ward Councillor

Mr Stevens asked if the Council would support/progress purchase of the Wheelwrights pub. The Chairman replied that the purchase could only be easily progressed via the Community Ownership grant which currently is in suspense pending a Government decision. (Clerk's note: the Community Ownership Fund was closed on 23 December 2024). Mr Stevens suggested that purchase via a small mortgage could be feasible if a suitable lender could be found. Cllr. Brazier had heard from some residents that they would prefer to purchase the pub rather than build the car park.

Mr Stevens pointed out that if a sufficiently large deposit could be raised then there was likely £12,000/year available from likely pub revenues to pay a mortgage. The Chairman thought this was a fair representation of the financial position but taking account of costs other than the purchase (legals, stamp duty, renovations etc.) somewhere in the area of £250,000 - £300,000 would be needed. Mr Stevens maintained that there is still a need to establish the level of interest from residents, though the Chairman doubted that the village could raise sufficient deposit funds to make a commercial mortgage affordable. Mr Stevens mentioned that at Yarpole there was a blended solution of volunteers and employees which, after a few difficult years, was now working well. Mr Foster pointed out that there would be very substantial renovation costs to make the pub sufficiently attractive to a competent tenant. Other possibilities such as a village shop in the pub all helped to improve viability but further raised the capital requirements. At the core of these affordability discussions is the purchase price and put simply, the current asking price of £240,000 is too high to create a viable business given the investment required to achieve that.

The Chairman concluded the discussion with-



- Wait until 6 December when the next (final) round of Community Ownership fund opens.
- If the grant is withdrawn then hold a village meeting to establish how much could be raised.

The topic would be re-visited in the New Year once the grant position had been clarified.

The Chairman then invited Mr. Foster to present his information on drainage problems and Cllr. Baker stayed in the meeting to hear his concerns. Mr. Foster presented documentation to Council showing the extent of the issues and the actions he had taken to attempt mitigation of the recent flooding. The main problem areas are Pencombe village centre and the highways converging on that centre.

There are approximate 10-15 properties at risk of flooding

There are health and safety issues both for pedestrians and for emergency services unable to obtain access.

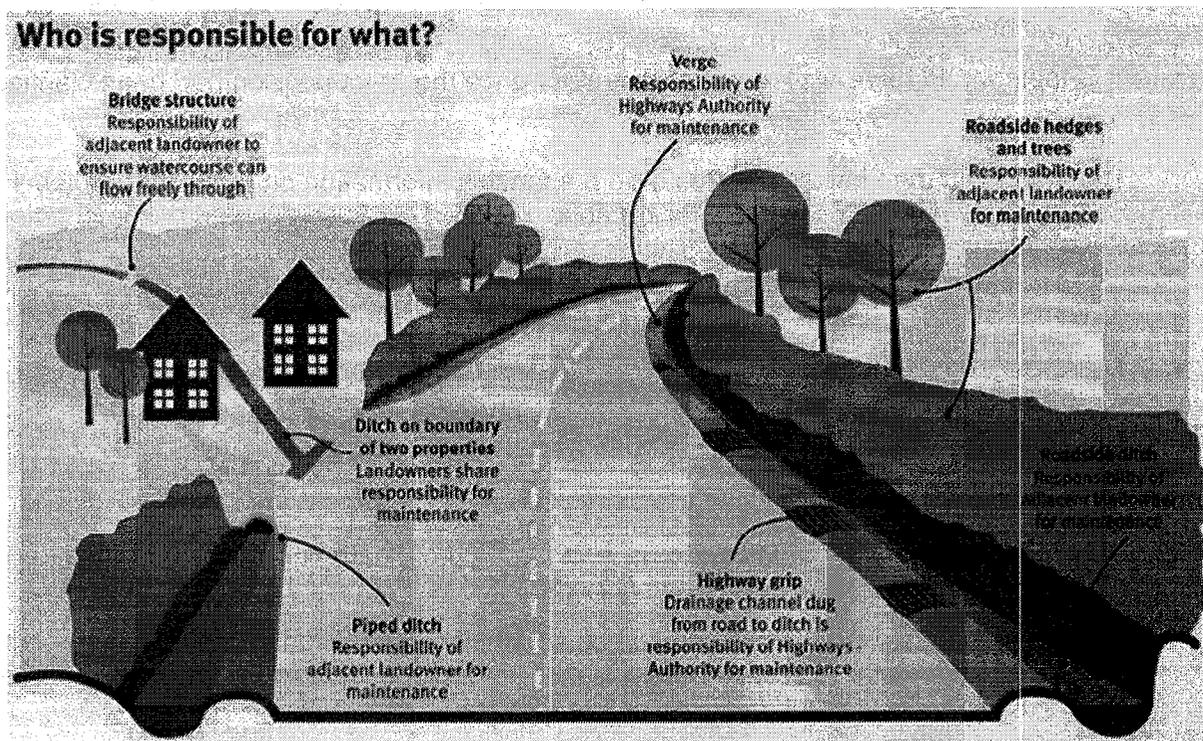
In summary Mr Foster proposed-

- Attempts should be made to have farmers co-ordinate hedge cutting with ditch clearing and the forecast arrival of heavy rains.
- If necessary legal advice should be sought if residents did not adhere to the principal that "surface water is accepted from higher up and passed through the water courses on to lower down without diversion or interference".
- Mr Foster accepted that a complete solution to the drainage problems was unlikely but an improvement of say 50% would be most useful and effective.
- Along with other local property/landowners he had "riparian responsibilities" to maintain structures and not impede watercourses. Not to impact your downstream neighbour (which in turn means you will not be impacted by your upstream neighbour).
- Responsibility for highway ditches and other drainage management is split across various bodies.
- He suggested that the Parish Council take on the maintenance of ditches and bill the landowners for their share of the costs incurred.
- Hedge trimming results in ditches blocking due to the cuttings falling in. If landowners could notify the Council of when they will cut their hedges then within (say 5 days) the Council could arrange for those ditches to be cleared and bill the landowner. Ideally this would all be planned with due regard to weather (i.e. not immediately before a storm is forecast).
- A mapping project to record all drainage assets would be an essential part of any successful program. A Herefordshire grant is available to assist this recording process.
- Mr. Foster had also contacted a solicitor to clarify "the downhill rule" – that water must be accepted from uphill and allowed to flow freely through your land without obstruction, diversion or pollution. If a landowner does not adhere to this rule then the law is broken and sanctions can be applied. It is also not legal to discharge surface water from fields onto the highway.

With the exception of ditches and hedge cutting however, the Council must look to the County to resolve these issues. The concern is that little if anything is ever done by the County. As an



extreme measure the solicitor advised that it would be possible to take the County to court, with the most secure grounds being the risk to the health and safety of residents.



There was discussion about the blockages downstream in the Causeway and the Clerk suggested that clearing the blockages could be the Nominated Task which was later agreed (see 162/24).

Cllr. Baker stated that he was most impressed by the presentation and would be raising these matters at a Council meeting the next day.

The Chairman thanked Mr Foster for his wide-ranging analysis and flooding would remain a key topic for the Parish Council.

**159/24 To receive:** a planning report from Cllr. Colin Hadley

**New applications**

**There are no new applications**

**Existing applications**

242495 Hennerwood farm, Application for Prior Approval for a general-purpose agricultural building

Prior approval not required.

**160/24 To receive:** an update on the Parish Hall

In Mrs. Legge's absence a report was provided by Mrs Drew. She reported that-

- The Hall trustees are writing and reviewing the Hall's policies, including Health & Safety, Risk Management. Once completed these policies will be reviewed by Richard Timney of ACRE.
- Mrs Drew had attempted to step down from the Treasurer role after more than six years. She asked Council that if anyone knew of someone interested in taking on this role could they please get in touch with her.



- The Friday Pub nights in the Hall are becoming increasingly successful and so far had realised more than £1000 of profit.
- The Christmas events start with the tree light up on 5 December followed by LinC Lunch on Saturday 7 December.

Mr Nicholson raised the matter of a 90% grant towards the cost of installing solar PV on the Hall roof. He would explore the grant scheme further.

**161/24 Finance To receive:** a finance report from the RFO. The RFO reported that-

Bank balance on 21/11/2024-Unity Trust current account £18512.96



**Budget Monitor Period 8 (November 2024)** Note: this includes all payments for authorisation at this meeting.

Line No.	PENCOMBE GPC BUDGET 2024-25	Outturn 2023-24	Budget 2024-25	Year to date 2024-25	Forecast Outturn 31 March 2025	Variance from Budget	Notes
<b>Income</b>							
1	Precept	18300.00	18300	18300.00	18300	0.00	
2	Cemetery	700.00	700	200.00	500	-200.00	Moved down to £500 - guess?
3	Grants	7615.00	12000	9990.00	18464	6464.00	NDP-£5000; Annual mtce.- £2576; Nom. Task- £1288; Drainage-£4600; last year £5000
4	Loans	0.00		0.00		0.00	Loan for carpark land purchase and initial construction
5	Other Income	345.63	4800	4700.84	4800	0.00	Boiler, field rent & Pencombe kiosk donations
6	VAT Reclaim	3334.66	3064	3467.71	3467	403.00	
7	<b>Total Income</b>	<b>30295.29</b>	<b>38864</b>	<b>36658.55</b>	<b>45531.00</b>	<b>6667.00</b>	Higher than budget due to significant grants.
<b>Expenditure</b>							
8	Clerk	3998.38	4600.00	4429.09	5750.00	-1150.00	£830 proper to 2023-24. Salary award arrears & 10% hours
9	Bank Charges	72.00	72.00	41.40	72.00	0.00	
10	Administration	617.23	750.00	429.87	450.00	300.00	
11	Insurance, audit, professional	1011.70	1000.00	989.78	1390.00	-390.00	Internal & external auditor £460; Ins. £320; HALC £410; SLCC £180; Tree Warden £30
12	IT	100.00	750.00	405.10	475.00	275.00	new PC deferred to 25/26
13	Cemetery Rates	329.34	329.00	329.34	329.00	0.00	Currently under challenge
14	Training and development	230.98	0.00	0.00	0.00	0.00	
15	Equipment	0.00	0.00	193.90	193.90	-193.90	Salt boxes unbudgeted
16	Maintenance	4135.00	4200.00	4681.00	4681.00	-481.00	Grass cutting, Extra October grass cut
17	HMRC	1430.17	1500.00	1360.99	1650.00	-150.00	Salary award & 10% uplift in hours
18	Other Exp.	667.44	100.00	160.37	160.00	-60.00	Trophy for Pencombe Show + Remembrance Day wreath
19	<b>TOTAL Day to Day</b>	<b>12592.24</b>	<b>13301.00</b>	<b>13020.84</b>	<b>15150.90</b>	<b>-1849.90</b>	
<b>Special Projects</b>							
20	NDP	6648.06	12000	6671.82	10600	1400.00	£6671 from return of last year's grant. This year assumes spend of £4000
21	Lengthsman	6640.00	10000	2124.50	11800	-1800.00	£2124 is spend covered by last year's grants. Grants this year amount to £8464 + £1288 match=£9752
22	Pencombe kiosk	1116.75	900	893.27	900	0.00	Mostly complete - July 2024
23	Village website	0.00	500	0.00	770	-270.00	Preferred supplier quotation, yet to be commissioned
24	Village Car Park	2618.30		289.00	289	-289.00	Costs now excluded pending agreement
25	Parish Hall	508.80	6000	6074.98	6250	-250.00	Boiler purchase + maintenance allowance (£500)
26	Loan repayments	0.00		0.00	0	0.00	see line 24
27	<b>TOTAL SPECIAL PROJECTS</b>	<b>17531.91</b>	<b>29400</b>	<b>16053.568</b>	<b>30609</b>	<b>-1209</b>	No change and on budget
28	<b>TOTAL EX-VAT EXPENDITURE</b>	<b>30124.15</b>	<b>42701</b>	<b>29074.407</b>	<b>45759.9</b>	<b>-3058.9</b>	
29	Reclaimable VAT on expenditure	3064	4400	2812.09	3800	-600	Normal 2800; L/man 1000
30	<b>Total Expenditure</b>	<b>33188.15</b>	<b>47101.00</b>	<b>31886.5</b>	<b>49559.90</b>	<b>-2458.90</b>	
31	Surplus	-2892.86	-8237	4772.05	-4028.90	4208.10	£4028 trading loss but £3800 VAT reclaim. Also includes costs from 23-4 of approx £9000
N.B. Negative variances are adverse							

The RFO reported that income was higher than budget (£6667 end of year forecast) mainly due to grants arriving during the year which were not forecast at budget setting. Costs had also risen, again in response to extra grant income by £3058 over budget. The position overall is satisfactory.

With precept setting now close the first step is to look at the budget for 2025-26. The draft budget follows



## First draft budget for 2025-26

Line No.	PENCOMBE GPC DRAFT BUDGET 2025-26	Outturn 2022-23	Outturn 2023-24	Forecast Outturn 2024- 25	Draft Budget 2025-26	Notes
	<b>Income</b>					
1	Precept	13,875.00	18300.00	18,300.00		Precept to be determined
2	Cemetery	0.00	700.00	500.00	500.00	Estimate
3	Grants	9,275.00	7615.00	18,464.00	10,700.00	£2500 base, £1200 Nomin task, £4000 drainage, £3000 NDP
4	Loans	0.00	0.00	0.00	0.00	Car park will be updated as required.
5	Other Income	142.00	345.63	4,800.00	300.00	
6	VAT Reclaim	1,701.00	3,334.66	3,800.00	3,800.00	From 2024-25 outturn
7	<b>Total Income</b>	<b>24,993.00</b>	<b>30,295.29</b>	<b>45,864.00</b>	<b>15,300.00</b>	
8	Clerk	4,361.00	3,998.38	5,750.00	6,600.00	(now includes PAYE)
9	Bank Charges	80.00	72.00	72.00	72.00	
10	Administration	2,467.00	617.23	450.00	450.00	Pay roll, stationery, mapping
11	Insurance, audit, professional	686.00	1,011.70	1,390.00	1,200.00	HALC, Insurance premium, external + internal audit fees.
12	IT	430.00	100.00	475.00	800.00	Win 10 out of support 2025. New PC required. Plus £200 website support
13	Cemetery Rates	329.00	329.34	329.00	329.00	Maintained pending outcome of challenge.
14	Training and development	0.00	230.98	0.00	0.00	
15	Equipment	432.00	0.00	193.90	100.00	
16	Maintenance	4,193.00	4,135.00	4,681.00	4,700.00	Grass cutting (x6) plus LC plus Sparrington defib mtce
17	HMRC	1,234.00	1,430.17	1,650.00	0.00	Now included in line 8
18	Other Exp.	2,074.00	667.44	160.00	160.00	
19	<b>TOTAL Day to Day</b>	<b>16,286.00</b>	<b>12,592.24</b>	<b>15,150.90</b>	<b>14,411.00</b>	
	<b>Special Projects</b>					
20	NDP	4,364.00	6,648.06	10,600.00	3,000.00	Aim for completion in 2025/26
21	Lengthsman	2,486.00	6,640.00	11,800.00	9,000.00	£2000 Council + grants
22	Sparrington kiosk	0.00	1,116.75	0.00	0.00	Completed
23	Pencombe kiosk	0.00	0.00	900.00	0.00	Completed
24	Parish Hall		508.80	6,250.00	2,500.00	Hall annual grant
25	Website rebuild (Council + Hall)	0.00	0.00	770.00	0.00	Completed
26	Village Car Park	4,286.00	2,618.00	289.00	0.00	Will be updated as required
27	New project A					
28	New project B					
29	New project C					
30	<b>TOTAL SPECIAL PROJECTS</b>	<b>11,136.00</b>	<b>17,531.61</b>	<b>30,609.00</b>	<b>14,500.00</b>	
31	<b>Total Expenditure</b>	<b>27,422.00</b>	<b>30,123.85</b>	<b>45,759.90</b>	<b>28,911.00</b>	
32	Reclaimable VAT in expenditure		3,064.00	3,800.00	3,000.00	
33	Surplus	-2,429.00	-2,892.86	-4,028.90	-16,611.00	
						<b>N.B. Negative variances are adverse</b>



**Draft Precept for 2025-26**

Following an agreement on the draft budget for 2025-26 it is straightforward to establish the minimum precept required for the year. The minimum precept is that required to achieve a balanced budget for the year with no surplus.

From the draft budget, in summary-

Budget Heading	Value £
Income excluding precept line 7	15300.00
Total Expenditure	31911.00
Income - Expenditure	-16611.00

The minimum precept to achieve a balanced budget is £16611. Any new projects will add directly to this precept requirement.

The current precept is £18300. Members will recall that the precept was raised from £13875 in April 2023 as follows-

Precept to 31 March 2023	13875
Inflation since April 2020 (BoE)	17.9%
Precept from 1 April 2023 inflation corrected	16309
Election cost recovery	2000
Create a reserve for future by-elections	2000
Total precept requirement from 1 April 2023	20309
Agreed precept from 1/4/23-31/3/25	18300

The extra £2000 added to the precept for 2 years is now due for review. The unbudgeted cost of the by-election has been recovered and a £2000 reserve created against future unbudgeted elections.

Council noted the following options-

1. Remove the £2000 surcharge and reduce the precept back to £16300
2. Correct the £16300 for inflation since 1 April 2023. (=£16789)
3. Correct for inflation and add any additional costs identified in the budget for 2025-26.

For precept purposes the number of equivalent band D properties has risen from 196.24 (2024-25) to 199.26 for 2025-26).

The RFO asked Council to consider this draft budget between now and the next meeting in January 2025 and at that meeting be prepared to discuss and agree a final budget for 2025-26.

**Appointment of the internal auditor for 2024-25**

For the first time Council used the HALC audit service in 2023-24. The audit undertaken was extremely thorough and at £250+VAT represented good value for the amount of work involved. The RFO recommended that Council re-appoints HALC as the internal auditor for 2024-25 and this recommendation was accepted by Council

**Policy on Reserves**

The internal audit carried out in May 2024 identified a number on non-compliances of which one remains outstanding. This non-compliance relates to having a policy on reserves-



4.4 A Reserves Policy and subsequent or review of the reserves throughout the year needs putting in place.

The RFO has drafted a policy on reserves which is presented at appendix 1 to these papers. Council discussed this draft policy, and then resolved to adopt the policy.

### Payments

The following payments were made as authorised at the October meeting (minute 147/24)

No.	Name	Ex-VAT £	VAT £	Total £	Details
1	A M Drew	428.81		428.81	Clerk's October salary
2	HALC	60.50	12.10	72.60	Annual hosting & domain name charges
3	D C Garden Services	520.00	104.00	624.00	September Pencombe grass cut
4	D C Garden Services	80.00	16.00	96.00	September Little Cowarne grass cut
5	Viking direct	134.77	26.95	161.72	Paper, toner, archive boxes (shared 50% with HFSP Council)
6	HMRC	107.00		107.00	PAYE October 2024
7	Adrian Hope tree services	175.00	35.00	210.00	Quotation for churchyard tree survey
	<b>TOTAL</b>	<b>1506.08</b>	<b>194.05</b>	<b>1700.13</b>	

### Income received since last meeting –

Name	Amount £	Details
	None	



**Payments for Authorisation**

Name	Total £	VAT £	Ex-VAT £	Details
A M Drew Clerk's November 2024 salary	428.61		428.61	Clerk's November salary
HMRC PAYE	107.20		107.20	PAYE Nov. 2024
Community Heartbeat Trust	162.00	32.40	135.00	Annual maintenance fee for Sparrington Defibrillator
Autela payroll 14855	81.86	16.37	68.22	Payroll Aug.-Nov 2024
HALC H1888	145.20	29.04	121.00	2 years hosting and domain names 2021-2023
D C Gardening Services SI-2030	29.40	5.88	24.50	Visit to survey and estimate Causeway costs
D C Gardening Services SI-2064	624.00	124.80	520.00	October grass cut
Royal British Legion	50.00		50.00	Donation for Remembrance Day Wreath
<b>TOTAL</b>	<b>1628.27</b>	<b>208.49</b>	<b>1454.53</b>	

Council agreed these payments.

**162/24 Lengthsman Scheme: To receive:** a report on Lengthsman work from Cllr. Tony Brazier  
**To receive:** agreement of the Nominated Task for 2024-25

As has been presented at a number of meetings Council has to agree a Nominated Task to access the match funded part of this year's Lengthsman grant. This has to be submitted to Herefordshire by 30 November and suggestions so far have been thin on the ground.

After some discussion the work required on the Causeway was agreed as the Nominated Task for 2024-25. The quotation from the Lengthsman for this work is £1575+VAT. This can easily be covered by the match funded grant (£2576 total) with about £1000 left for other projects. Council agreed that this surplus should not be committed immediately but should be held in reserve in case the Causeway project cost more than the quotation due to further damage from the recent storms.

On 20 October a note arrived from Herefordshire saying a site visit would be arranged to discuss the works but nothing has happened. This site visit was urged on 19 November but there has been no response. After further urging to no effect the Clerk has escalated the matter to Cllr. Baker.



There is better news on the drainage grant. Council submitted a request for funding across the four categories of work and all the requests have been agreed as follows-

Type of works	Bid for (yes/no)	Comments	Grant awarded (£)
Ditching Works	Yes	Approved	£2,100.00
Drainage Asset Survey	Yes	Approved	£1,000.00
Minor Drainage Schemes	Yes	Approved	£1,500.00
<i>Gully Clearing and Cleansing</i>	Yes	<i>Approved</i>	<i>£1,350.00*</i>
		<b>Total Grant</b>	<b>£4,600.00</b>

Note that the £1350 for gully cleaning is not included in the £4,600 total. The payment for this will be settled directly by Herefordshire.

Council agreed that the Lengthsman should be instructed to commence the works program as soon as possible.

**163/24 Neighbourhood Development Plan. To receive:** update on NDP from Cllr. Tim Burge  
Following the design codes workshop reported last month, Louise Kirkup has volunteered to write the remaining sections of the draft NDP. The Clerk is liaising with Louise and when this work is completed the Council will be close to the final stages of the NDP project.

**164/24 Provision of a village car park. To receive:** report on the car park from Cllr. Tony Brazier  
As of 23 November no more quotations have been received for construction costs. Following suggestions from some Councillors, Balfour Beatty has been asked to provide a quotation but there has been no contact from them. Another organisation which appears to specialise in car parks, Windser road surfacing Services, has also been approached and details have been sent to the MD, Mr Gordon Windser. He has promised a quotation plus probably a site visit..

Cllr. Hadley has passed on information of a Herefordshire grant scheme for community projects such as the car park. The Clerk has requested a meeting with the grant controlling officer David Tristram at a workshop on 5 December.

The Clerk is establishing further costs information which are not (currently) included in the construction costs. This is "work in progress" and further information will be provided as it becomes available.



So far these further costs are-

Activity	Costs	Quote provider
Legal costs of land purchase.	Hourly rate £1320-£1650 Fixed price £2000	Lanyon Bowdler, Bromyard
Provision of single phase 32 amp electric connection	TBA	National Grid (local provider) have been contacted. Reply awaited
Provision of two EV charge points.	TBA	National Grid (local provider) have been contacted. Reply awaited
Provision of covered & secure cycle storage	Approx £2000	Broxap street furniture
Planting scheme (boundary fence & bund)	Approx £6/m for 40-60cm mixed native hedgerow plants. 130m@£6/m = approx. £800	Best4hedging
Boundary fencing & stockproofing	Average £10/m for stockproof fencing Total (North East & West side 130m so approx. £1300)	Farming Forum
Create landscape & ecological management plan (LEMP)		Requested a quote from Cotswold Wildlife Surveys

**165/24 Single website for Group Parishes. To receive:** from the Clerk, recommendation from the working group to commission the new website.

The working group has agreed the preferred supplier for the new combined website. It is NextNorth who created the Hadstock combined website like the one wanted for the Council and Parish Hall. All the requirements requested have been met and the costs is £770+VAT. There will be an annual hosting and maintenance fee for the site of £200+VAT.

The quotation is shown at appendix 2.

Four quotations were provided in total which meets the purchase requirements of Council's financial regulations (at least 3 quotes).

The working group requests authority to finalise discussions with NextNorth and commission the project.

The Council resolved that the project should be progressed and authority to commission NextNorth was granted.

**166/24 To consider:** Matters for discussion at the next meeting

**Date of next meeting Tuesday 28<sup>th</sup> January 2025**

Signed  Chairman

Date... 28/1/25



**Appendix 1 Adopted Policy on Reserves**

**PENCOMBE  
GROUP PARISH COUNCIL**

**General Reserves Policy  
Adopted on 26 November 2024**



## Introduction

Pencombe Group Parish Council is required to maintain adequate Financial Reserves to meet the needs of its operations and to ensure financial security. The purpose of this policy is to set out how the Council will determine and review the level of reserves.

The Joint Panel on Accountability and Governance Practitioners Guide (JPAG) (March 2020 edition) advises:

*“As with any financial entity, it is essential that authorities have sufficient reserves (General and Earmarked) to finance both its day-to-day operations and future plans. It is important, however, given that its funds are generated from taxation/public levies, that such reserves are not excessive.”*

Sections 32 and 43 of the Local Government Finance Act 1992 require local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. However, there is no specific minimum level of reserves which 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

These may be categorised as either General or Specific.

## General Reserves

General Reserves are funds which do not have any restrictions on their use. They cushion the impact of uneven cash flows, offset budget requirements, if necessary, or can be held in case of unexpected events or emergencies. Setting the level of General Reserves is agreed with the Annual Budget.

JPAG (March 2020 edition) advises:

*“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 (3) and twelve (12) months Net Revenue*

*Expenditure (NRE).”*

*“The smaller the authority, the closer the figure should be to 12 months NRE, the larger the authority the nearer to 3 months. In practice, any authority with an NRE in excess of £200,000 should plan on 3 months equivalent.”*

The primary means of building General Reserves will be through a reallocation of funds (underspend on a completed project) and allocation from the annual budget. This will be in addition to any amounts needed to replenish reserves which have been spent in the previous year. 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 EMRs to provide short term resources.



## Earmarked Reserves 'EMR's

EMRs must be held for genuine and intended purposes and their level should be subject to annual review and justification. They should be separately identified to prevent query from internal and external auditors.

EMRs are held for several reasons and shall only be used for the purpose for which they were created:

- Renewals – to enable the planning and financing of an effective program of equipment replacement and property maintenance/refurbishment. The funds required are built up incrementally over several years when taking into account asset conditions and asset life. They are a mechanism to smooth expenditure without the need to vary budgets.
- Carry forward of underspend on an uncompleted project – expenditure committed to a project but not spent in the budget year. Reserves can be used as a mechanism to carry forward those resources.
- Developers Contributions – proceeds from developers which can only be used for specified purposes.
- Other Earmarked Reserves – these may be set up from time to time to meet known or predicted liabilities.

Where the purpose of an Earmarked Reserve becomes obsolete, or where there is an over-provision of funds, the excess may, on the approval of the Council, be transferred to other budget headings within the revenue budget, to General Reserves or to one or more other Earmarked Reserves.

EMRs will be established on a "needs" basis in line with anticipated requirements and these are to be reviewed annually when the budget is agreed.

Any decision to set up an EMR must be approved by Council. If the EMRs are used to meet short term funding gaps, they must be replenished in the following financial year. However, EMRs which have been used to meet a specific liability would not need to be replenished, after having served the purpose for which they were originally set up.

## Management and Control of Reserves

Movements in Earmarked Reserves and General Reserves shall be reported to the Council as part of the quarterly Budget to Actual Report and at monthly meetings if required. The use of Reserves shall be approved by the Council.

The level of General Reserves shall be reviewed on an annual basis during the annual budgetary review and agreed by the Council. The minimum level of General Reserves shall be recommended to the Council by the Responsible Financial Officer. This will form part of the recommendations for the Annual Budget and Precept request by the Council.

The current level of General Reserves to be held by the Council is set at equal to between three and six months of predicted expenditure.



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Earmarked Reserves shall be reviewed on an individual basis. This review will also be undertaken as part of the Annual Budgetary Review. Approval for the creation, amendment, cessation or continuation of Earmarked Reserves will be given by the Council.



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Appendix 2 Website quotation from NextNorth

**nextnorth**

Mr Allan Drew  
Pencombe Parish Council

28 October 2024

Dear Allan,

Thank you for your invitation to quote for a new combined website for Pencombe Parish Council and Pencombe Village Hall.

By way of background, Nextnorth has been trading for nearly 20 years and works with clients in various sectors including non-profits and local government. We provide a range of services including website design, digital marketing and hosting. Our preferred platform is Wordpress for website development. We are based just outside Cambridge but work all over the UK.

Examples of our work can be found on our website <https://nextnorth.com>

### Our Quotation

We understand that you are looking for a rebuild of the current websites at [www.pencombegrouppc.org.uk](http://www.pencombegrouppc.org.uk) and the Parish Hall [www.plcph.co.uk](http://www.plcph.co.uk) with additional pages for other community groups within the village.

This will encompass the following actions:

- Creating a combined branding for the new village website
- Migrating content from the old websites
- Incorporating social media feeds from stakeholders
- Using an interface that will be easy for village volunteers to learn so that they can maintain the website going forward.
- Setting up the site so that it can expand as village organisations (such as the Church and clubs/societies) build up their content
- Incorporating a calendar system so village events can be publicised

- Ensuring the site can be accessed on mobile devices
- Complying where practicable with relevant accessibility standards (WAG 2.2)

## Proposed budget for website design and build

We propose the following hours budget:

Planning	4	
Design	6	
Build		10
Training	2	
Total		22 @ £35 for a total of <b>£770 plus VAT</b>

Please note that this quote is subject to a full specification of content on the new site. In the event that the content substantially exceeds the assumptions that we made in drawing up the above hours budget (primarily migrating existing content and setting up pages for other community organisations), we would seek to adjust the budget accordingly.

This estimate is for Nextnorth hours only and does not include the cost of stock images, video or graphic design elements which would have to be budgeted for separately.

Our full terms and conditions can be found here: <https://www.nextnorth.com/terms-conditions/>

## Hosting and maintenance

Nextnorth has been a reseller for an established UK-based hosting provider for over 5 years. They have excellent uptime stats and a good UK-based support set-up.

As part of our package, we perform updates to the Wordpress platform and plugins on a regular basis as well as backing up the website daily and responding to alerts from the firewall plugin.



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The cost of the hosting and maintenance package is **£200 plus VAT** per annum.

Other interventions to update content or restructure the site would be quoted for in advance and charged at our hourly rate of £35 plus VAT.

I hope that this is clear. Please do not hesitate to revert to us if you have any further queries.

Yours sincerely,

Andrew Clark  
Director Nextnorth Ltd.

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Unit 5, Lintech Court, Linton, Cambridge CB21 4XN  
Company Number: 05052502. VAT number: GB910163763

