

Hartpury Parish Council Precept Increase Considerations (RPI Linked)

1. Introduction

At the Full Council meeting each January, Councillors will approve an increase to the precept that reflects, at a minimum, the Retail Price Index (RPI) as published for the previous September. This document outlines the procedure Hartpury Parish Council will follow to align the annual precept with inflation, ensuring the Council can continue delivering essential services and meeting its financial obligations.

2. Considerations Statement

Hartpury Parish Council's annual precept will be adjusted in line with the most recent RPI figure published by the Office for National Statistics (ONS) in September. This approach ensures the Council's finances remain resilient and responsive to rising living costs.

3. Precept Adjustment Method

- **Annual Adjustment:** The precept for each financial year will be increased by the annual percentage change in the RPI, as reported by the ONS in September.

Example: If the RPI for September indicates a 2.5% increase, the precept for the upcoming financial year will rise by 2.5% compared to the previous year.

4. Exceptions

- **Exceptional Circumstances:** In cases of unexpected financial pressures, significant regulatory changes, or major capital investments, the Council may approve an increase above the RPI-linked figure.
- **Precept Freeze:** If the Council assesses that existing reserves are sufficient to cover the year's budget, it may decide not to increase the precept, regardless of RPI movement.
- **RPI Averaging:** In the event that the September RPI figure is exceptionally high or low, the Council may instead apply the average RPI over the preceding four months (June – September) to ensure a fair and balanced adjustment.

5. Transparency and Community Engagement

- **Budget Communication:** The rationale behind the precept decision, including the RPI adjustment, will be clearly outlined in the Parish Council's annual budget report and shared with the community.

6. Implementation Process

The proposed precept adjustment will be considered by the Parish Council during its January meeting. Once approved, the Parish Clerk will apply the RPI-based calculation and ensure all official documentation accurately reflects the updated precept.

7. Review and Approval of This Policy

This document will be reviewed annually to ensure it continues to meet the needs of the Parish and reflects current economic conditions and Council priorities. Any changes will require formal approval by the Parish Council.

Adopted by Hartpury Parish Council on Monday 7th July 2025 and will be reviewed annually or as needed.