

Bidborough Parish Council

Council Meeting

24 November 2025

Council Budget and Precept

The Council needs to set its precept and the level of Council Tax charge to be made to residents. The calculations which are set out in the Appendix have been made on the basis that the precept and the charge to residents will remain the same. The precept was £76970 which for a Band D property in 2025/26 was £136.31.

In the attached appendix I have set out the projected income and expenditure for the current financial year and the estimated figures for next year. I have also set out the details of the Reserves.

For 2025/26 I have set out the projected income and expenditure figures for the year based on the actual income received and expenditure incurred up to 31 October and added to that the projected income and expenditure for the remainder of the year. This gives a surplus of income over expenditure of approximately £11390. At the start of the new financial year that sum will be allocated to Reserves.

For 2026/27 in terms of expenditure, I have calculated the expenditure for each of the identified budget heads based on the previous years ongoing costs together with an allowance for inflation and already identified expenditure. After these adjustments there is a provisional surplus of income over expenditure of £8490. This sum will be added to the Reserves at the beginning of the financial year.

The Council's Reserves have reduced with expenditure over the year and there is expected to be significant expenditure on a number of items over the next 6–18 months and in particular works relating to the Church Lychgates and the Church Wall plus others. The cost of all of these projects is not known at present but could be in the region of £30k to £60k. Currently within the Reserves there is funding for Churchyard projects £11890 but of that probably £8k-£10k could be made available to the Church Lychgates and Wall projects. When this is added to unallocated reserves over this and the next financial year there could be approximately £34k-£36k available. This is at the bottom end of the required sum and if further funds were needed, then additional Funding could be found from

1. An increase in the precept for next year
2. Taking funds from the General Fund which will need to be replaced within an agreed time period of no more than 3 years but ideally replaced the following year 2027/28 which must come from any surplus of income over expenditure and/or by increasing the precept
3. Taking out a Public Works Loan Board loan the cost of this funding I reported to the last meeting.

I would remind the Council that if it uses any of its reserves that funding will no longer exist and not be available to the Council again. Any spent reserves can only be made up from any surplus of income over expenditure within each financial year. With the increased commitment on expenditure over the next couple of years as described above reserves will not be increasing in the short term.

At this stage the Council needs to consider the budget and to determine whether it needs to make any changes in the precept for next year. You may feel that with no definite amounts known for expenditure and that most of the expenditure will be in 2026/27 that no change to the precept is required for next year. Alternatively, you may feel that a small increase in the precept to £80000 might be appropriate to lessen the impact of the costs of the schemes in future years and to also put the Council in a position to start to replenish its reserves to enable it to fund any future financial commitments.

The increase in precept of £3030 to £80000 would be around a 4% increase and would increase the Council Tax on a Band D property to approximately £141.88. However, this figure would change as the Council Tax Base changes, but this will only be a marginal difference.

Recommended: That the Council approve the budget as set out in the Appendix and agree the precept and the charge to be made to its residents