

TOLLER PORCORUM PARISH COUNCIL

Full Parish Council Meeting | Wednesday 13 November 2024

Appendix K – Draft budget and precept report 2025/26

Meeting reference: 24/11-8 vi

Prepared by clerk and responsible financial officer (RFO) Clare Smith

This report is to be used alongside AppJ-DRAFT-BudgetPrecept-2526

Budget explanations 24/25 (pages 1 and 2 of AppJ-DRAFT-BudgetPrecept-2526)

As per the Financial Regulations of Toller Porcorum Parish Council (TPPC) it is the duty of the RFO to explain projected outturn spending of 15% or more on any line of the budget. Explanations are below.

03 Staff Costs

- NEW Employer's pension: new line on budget for 25/26 as previous clerk did not claim a pension so nothing to compare against
- (04-12) Clerk's allowance: clerk in post for 11 months when previously without

04 Admin Office

- 09 Training: increase due to ILCA and CiLCA qualifications for clerk and new councillor training
- 13 Mileage: appointment of new clerk with increased mileage costs
- 14 Office printing and stationery: increase on costs of ink and paper
- 27 Misc expenses: significant increase in cost of printing Toller Times

05 Council assets

- 22 Office equipment: significant increase due to need of a new laptop

08 Reserves-earmarked

- 29 Election recharge: unexpected spend to be taken out of working reserve

It should be noted that 03 Staff Costs/05 Staff costs and NEW Employer's pension figures include the recommendations made by the Staffing Committee in meeting item 24/11-8 v

Budget over/underspend 24/25 (page 2 of AppJ-DRAFT-BudgetPrecept-2526)

TPPC is due to underspend in 24/25 by 11.2% with a surplus amount of £1012.26. This surplus will increase to 14%/£1262.30 if designated budget is not spent for 05 Council assets/21 Noticeboard/seats and 23 Bus shelter.

As this surplus is not assigned to a project it can be carried over to 25/26 as part of the budget for that year or be added to the working reserve.

It is the recommendation of the RFO that the surplus amount be moved to the working reserve.

Reserves/earmarked reserves (page 3 of AppJ-DRAFT-BudgetPrecept-2526)

It is best practice to hold a working reserve equal to 50-100% of the previous year's budget. As the budget of TPPC is small a working reserve of £10,000 - £20,000 is recommended. To achieve a working reserve of this amount will require input from budgets from numerous years.

The total reserve at the end of 24/25 is estimated to be £13,980.

The RFO recommends earmarking reserves for Recreation Gound maintenance, repairs and equipment replacement and to replace the defibrillator at the Village Hall which is due in 2030. Other items listed on the reserves page are currently less than £1000 each to replace and TPPC can decide whether these items should be paid for from working reserves when the time comes to replace them or to save for them in earmarked reserves.

ACTION: TPPC to decide whether to earmark reserves for Recreation Ground maintenance and defibrillator replacement and decide on other items.

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Recreation Ground maintenance, repairs and equipment replacement

Lifespan of equipment is 20 years with repairs expected to start occurring from year 5, 2029. Repairs will increase in frequency and costs as the equipment ages.

Defibrillator replacement

Lifespan: 10 years, due for replacement 2030

Defibrillator	£850 - £1400
Outdoor cabinet	£400 - £600
Installation	£100 - £300
Replacement batteries (£50 - £350, 2 – 3 times in lifespan)	£150 - £1050
Estimated cost	£1500 - £3350
Costs sourced from British Heart Foundation website, October 2024	

Grit bin replacement

Lifespan: 25 years without damage, first due for replacement 2038. Grit bins cost £100 - £400 each

Asset register listings for grit bins:

Bought	Location	Amount	Cost
September 2013	Lower Road	1	£180
January 2026	Hereward Close	1	£190
September 2016	Opp. Kingcombe Road	1	£190
August 2020	?	1	£140
November 2020	?	4 x bins	£860
April 2023	Toller Hill	1	£482

Setting the precept (page 4 of AppJ-DRAFT-BudgetPrecept-2526)

The precept is decided by the following calculation:

$$[\text{Budget}] \text{ MINUS } [\text{Income from interest/grants}] \text{ EQUALS } [\text{Precept}]$$

The calculated precept for 25/25 is £9844.07, a 27.02% increase on the precept for 24/25. The page shows what the precept would be when different percentage increases are applied.

The sheet also shows what the precept would be if the 24/25 surplus is not used for reserves and the percentage increase on 24/25 required to meet it.

ACTION: TPPC to decide the precept and adjust the budget if required.