

Briefing Note

Budget & Precept 2025/2026

3 min read

1.0 Background

1.1 The Parish Council is required to agree a budget for the coming year and make application to Cornwall Council to collect a precept before 31 December 2024. Because the council does not hold a public meeting in December, councillors are asked to approve a budget and precept application at their meeting on 21 November 2024. This briefing note sets out the background to the budget and recommends that the council support a precept that will enable it to carry its statutory duties and projects for the next financial year.

2.0 The issues

2.1 Expenditure for 2025/26 is budgeted to be £32,236.00, which is an increase of £716 (2.3%) compared to the budget set last year. The reason for the increase in expenses is because of the extra costs of weed management in Menheniot village (£1775) and forecast for wages and salaries. UK inflation (using CPI) was 1.7% in September 2024 (6.7% September 2023)

2.2 In order to meet the day to day expenses of the parish council, I have allowed for the withdrawal of the former Council Tax Support grant from Cornwall Council and included income that will derive from fees and interest charges.

2.3 In calculating a budget for 2025/2026, the Clerk has examined all the costs incurred to date and made provision for changes, as well as including items that we may be liable for in the future.

2.4 At the close of business on 31 October 2024, your reserves were £50,716.92 (£60,527.69 at 31 October 2023)

2.5 The final calculation for a budget that takes account of all these factors will require a precept which is higher than that previously levied. The proposal is that the precept be increased to £29,825. This is an increase of £2,993.00 or 11%.

2.6 At its public meeting on 16 May 2019, councillors agreed to set an annual budget for its Community Grants (Item 50/2019A) that would be based on current demand for grants. At the time of drafting this note, the remaining budget for 2024/25 is £623 out of an original sum allocated of £2,500. Currently, you have applications totalling £905 that will be determined at your November meeting. I recommend allocating the same amount of £2,500 as the current year, such monies to be taken from the General Reserve.

3.0 Recommendations

3.1 To accept the budget calculation and support an increased precept. The final calculation for the precept in 2025/26 would be £29,825. This is the Band D equivalent of £43.03pa) (current year £40.68) which is an increase of £2.35pa or 5.8%.

3.2 To top up the Community Grants budget from the general reserve to a figure of £2,500, the final amount to be agreed at the April 2025 public meeting.

3.3 To maintain the current reserves with Cornwall Council.

Attachments:

Appendix 1 Budget comparison for 2024/25 and 2025/26

Appendix 2 Budget detail 2025/26

Appendix 3 Budget background

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MENHENIOT PARISH COUNCIL

Appendix 1

Budget 2025-26

prepared 21/11/2023

		ok	ok	ok	draft
		Actual 2023-24	Budget 2024-25	Actual 2024-25*	Budget 2025-26
Net Expenditure		£			
1.00 Open spaces					
	1.1 Grasscutting	6152.00	6352.00	6352.00	4960.00
	1.2 Hedges	1725.00	225.00	225.00	0.00
	1.3 Weed spraying	0.00		0.00	1775.00
	1.4 Other expenses	17456.00	3975.00	3901.00	3948.00
	1.5 Menheniot Green	601.00	1000.00	1000.00	1000.00
	sub total	25934.00	11552.00	11478.00	11683.00
2.00 General Administration					
	2.1 Salaries	9879.00	10704.00	11264.00	10758.00
	2.2 Audit fees	410.00	410.00	515.00	515.00
	2.3 Other expenses	5832.00	4131.00	7430.00	4042.00
	2.4 Fees & elections	1520.00	0.00	0.00	0.00
	sub total	17641.00	15245.00	19209.00	15315.00
3.00 Allotments					
	3.1 Rent	47.00	80.00	80.00	80.00
	3.2 Maintenance	316.00	400.00	242.00	300.00
	sub total Expenditure	363.00	480.00	322.00	380.00
4.00 Public toilets					
	4.1 Cleaner	2762.00	3348.00	3430.00	3663.00
	4.2 Maintenance	337.00	195.00	308.00	195.00
	4.3 Water	370.00	200.00	500.00	500.00
	sub total Expenditure	3469.00	3743.00	4238.00	4358.00
5.00 Public lighting					
	5.1 NIU	0.00	0.00	0.00	0.00
	5.2 NIU	0.00	0.00	0.00	0.00
	sub total	0.00	0.00	0.00	0.00
6.00 Donations					
	6.1 Donations	280.00	500.00	500.00	500.00
	6.2 Grants	1200.00	0.00	0.00	0.00
	6.3 DNU	3028.00	0.00	0.00	0.00
	sub total	4508.00	500.00	500.00	500.00
6E Neighbourhood Plan					
	6E1 Projects	0.00	0.00	0.00	0.00
	sub total	0.00	0.00		0.00
	TOTAL	51915.00	31520.00	35747.00	32236.00

* best estimate at the time of preparation

		Actual 2023-24	Budget 2024-25	Actual 2024-25*	Budget 2024-25
Gross Income		£			
7.00 Statutory & Discretionary					
	7.1 Council precept	25200.00	26832.00	26832.00	29825.00
	7.2 NIU	0.00	0.00	0.00	
	7.3 Allotment rentals	264.00	265.00	265.00	265.00
	7.4 Parish paths grantsn LMP	849.00	849.00	881.00	849.00

	7.5	Grants	0.00	0.00	500.00	0.00
	7.6	Fees & Other Income	260.00	61.00	35.00	61.00
	7.7	Bank interest	1716.00	1512.00	1233.00	1236.00
	7.8	Miscellaneous BMM	8704.00	0.00	1450.00	0.00
	7.9	From General Reserve			0.00	
	TOTAL		36993.00	29519.00	31196.00	32236.00

Expenditure for 2025/26		Item	Frequen	Cost	Extension	To Budget
1.0	Open Spaces					
1.1	Grasscutting	New contractor	16	310.00	4960.00	£ 4,960.00
1.2	Hedges	Trelawney Gardens	1	0.00	0.00	£ -
1.3	Weedspraying	New contractor	1	1775.00	1775.00	£ 1,775.00
1.4	Misc	Footpaths New contractor	1	1792.00	1792.00	
1.4		RoSPA Inspections	1	156.00	156.00	
1.4		Miscellaneous Repairs	1	500.00	500.00	
1.4		Biffa waste disposal annual fee	4	375.00	1500.00	
1.5		Menheniot Green	1	1000.00	1000.00	£ 4,948.00
	sub total					£ 11,683.00
2.0	General Administration					
2.1	Salaries	Clerk increase to Grade 21 16.30 ph ir	12	896.50	10758.00	£ 10,758.00
2.2	Audit fees	Internal auditor & PKF Littlejohn	1	515.00	515.00	£ 515.00
2.3	Other expenses	PPSA	1	500.00	500.00	
		Training Clerk	1	100.00	100.00	
		Training Councillors	1	250.00	250.00	
		CALC subscription	1	693.00	693.00	
		SLCC subscription	1	100.00	100.00	
		Insurance	1	1250.00	1250.00	
		Web support	1	200.00	200.00	
		IT support	1	150.00	150.00	
		Prydis payroll processing	4	103.00	412.00	
		ICO registration	1	35.00	35.00	
		Venue Hire	12	12.00	144.00	
		Clerk's Office Expenses	52	4.00	208.00	£ 4,042.00
2.4	Fees & Elections	No election due until 2025	1	0.00	0.00	£ -
	sub total					£ 15,315.00
3.0	Allotments					
3.1	Rent	Tenants agreements	1	80.00	80.00	
3.2	Maintenance	Repairs & Renewals/Water	4	75.00	300.00	
	sub total					£ 380.00
4.0	Public toilets					
4.1	Cleaner	Salary £12.21 ph announced 30/10/2	12	305.25	3663.00	
4.2	Maintenance	Repairs & Renewals/Waste disposal	1	195.00	195.00	
4.3	Water	South West Water	1	500.00	500.00	
	sub total					£ 4,358.00
5.0	Public lighting					
5.1	Electricity	EDF	4	0.00	0.00	
5.2	Maintenance	SSE Enterprise	4	0.00	0.00	
	sub total					£ -
6.0	Donations				0.00	
6.1	Donations		1	500.00	500.00	
6.2	Grants/Donations		1	0.00	0.00	
	sub total					£ 500.00
6E	Neighbourhood Plan					
6E1	Project costs			0.00	0.00	
	sub total					£ -
All Expenditure						£ 32,236.00
7.0	Income Statutory	Item	Frequen	Cost	Extension	To Budget
7.1	Council Precept	Collected by Cornwall Council	1	29825.00	29825.00	£ 29,825.00

7.2	NIU					£	-
7.3	Allotment rent	100% occupancy	1	265.00	265.00	£	265.00
7.4	Footpaths Subsidy	Local Maintenance Partnership	1	849.00	849.00	£	849.00
7.5	Grants/VAT	Unplanned grants	1	0.00	0.00	£	-
7.6	Fees & Other Inco	Cottages & Playgroup licences	1	61.00	61.00	£	61.00
7.7	Bank Interest	Cornwall Council Call Account	12	103.00	1236.00	£	1,236.00
7.8	Income Misc	Unplanned income	1	0.00	0.00	£	-
7.9	From General Reserve		1		0.00		
All Income						£	32,236.00

Background to the parish council's budget and precept for 2025/26

5 min read

This Guide explains how the budget is derived and a precept calculated and where the figures are obtained from. This budget has been prepared with a current inflation rate (September 2024) of 1.7% (for comparison, September 2023 6.7%).

	Expenditure	
1.0	Open Spaces	The day-to-day ground maintenance and repair of the grounds and assets of the parish council.
1.1	Grass cutting	Set out in the specification for the contractor we employ. The contract is lower in cost than the current contractor and will start on 1 April 2025..
1.2	Strimming	Deleted in this year's budget because it was not included in the new specification.
1.3	Weed spraying	Included in the budget at councillors' request.
1.4	Other expenses	Costs of footpath maintenance, RoSPA safety inspection, tree survey and other general maintenance costs. Set out in the specification for the contractor we employ. <i>The budget for 'Miscellaneous repairs' has been reduced to £500 based on current costs and a proposed maintenance schedule. Costs of planting and other works associated with the annual South West in Bloom competition are expected to be self-financing.</i>
1.5	Menheniot Green	Budget to fund works undertaken by volunteers relating to climate change and environmental projects (which has the flexibility to include some costs arising from the SWIB competition)
2.0	General Administration	Day to day costs of administering the parish council.
2.1	Salaries	Clerk's salary is negotiated centrally and increases each year, subject to a satisfactory annual appraisal.
2.2	Audit fees	Charges for our statutory annual audit.
2.3	Other expenses	Includes our printing and stationery costs; training budget (for clerk and councillors); professional subscriptions; insurance' IT support; venue hire; clerk's home expenses.
2.4	Fees and election	Only applicable in election years (the next in May 2025) – zero included in this years budget because historically, the election has been uncontested.
3.0	Allotments	Council has a long-term agreement with a local farmer who rents us the land at East Road.
3.1	Rent	Annual peppercorn rent payable.
3.2	Maintenance	Repairs and water supply charges. Based on consumption over the past 2 years.

4.0	Public toilets	Public toilets on East Road. <i>The proposals in this section include an increase in water costs of from £200 to £500 based on current invoices.</i>
4.1	Cleaner's salary	Salary for part-time cleaner increased because of statutory minimum.
4.2	Maintenance	Repairs and waste disposal.
4.3	Water	Water supply charges. <i>Based on current consumption, reduced to £200.</i>
5.0	Public lighting	Deleted because Cornwall Council is now responsible for maintenance (wef 2022)
6.0	Donations	Council operates a system of giving financial support to local and regional organisations. Details on website.
6.1	Donation	Small sums (up to £100) is funded usually through the precept. Advise that for this year, the £500 budget is recovered from the General Reserve.
6.2	Grants	Larger grants (more than £100) are funded from the General Reserve. Budget is agreed each year and was set at £2500 in 2024.
6E	Neighbourhood Development Plan	The NDP was adopted in April 2022 and this budget line is now deleted.
7.0	Income	
7.1	Precept	Cornwall Council collect the parish precept (the very local council tax) on our behalf, and we receive this in two equal amounts in spring and autumn. The precept is charged to cover day to day running expenses of the parish council. You can see what your current parish precept payment is on your annual Council Tax bill.
7.2	CTS Grant (Council Tax Support)	The Council Tax Support scheme ended in March 2022 and is no longer payable onto the parish council.
7.3	Allotment rentals	Annual fee per plot of £12 is set to recover all running costs, based on 90% occupancy and income.
7.4	Parish paths grant (Local Maintenance Partnership)	The parish council receives a fixed sum each year from Cornwall Council as a contribution towards the cost of maintaining footpaths.
7.5	Grants	Council may receive unplanned for amounts of funding from other sources.
7.6	Fees & other income	Council receives a small fee income from the Menheniot Playgroup and Village Green cottages.
7.7	Bank interest	The council has deposited surplus funds with Cornwall Council and receives a higher rate of interest than from commercial banks. You can see the balance on your monthly bank reconciliation.
7.8	Miscellaneous income	Council occasionally received other grants, subsidies and donations that are shown here.
7.9	From General Reserve	Where councillors wish to fund work that is outside the scope of day to day running expenses, payments can be made from the council's reserves and this section shows that amount.

15 Nov 2024