

## Budget Proposal for 2024/25

Enclosed is the Finance Committee's budget proposal for the coming year. The calculation of the figures has been prepared by reviewing the income and expenses for the previous years and anticipating an increase in costs for the next year and known project funding costs.

### Income

#### Precept

The proposal is to increase the Precept to £40,000. This figure is required to cover the expected payments that will be required for property running costs and maintenance, administration costs and Section 137 payments:

Property Running Costs and Maintenance	£19,594.36
Administration Costs	£17,450.71
Section 137 Payments	£100.00
<b>Total</b>	<b>£37,145.09</b>

The raising of the precept will cover the basic running costs of the Parish Council plus a 9.25% contingency to help us apply for grants where match funding or a proportion of the costs must be covered by the PC.

#### Rents

There is a small increase in rental income (£91) for the coming year from the increase in rent for the Old Fire Station Garage.

#### Hire Fees

The Friends of Gretton Recreation Ground have agreed an increase of hiring fees with the stakeholders that will result in an extra £302 p.a. or 8.25%.

#### Miscellaneous

There is no anticipated change in the regular income under this category, though VAT reclaims will fluctuate and are offset by payments made.

### Summary

**Income received is anticipated to be £44,986.64 (including precept of £40,000)**

### Payments

#### Property Running Costs and Maintenance

The cost of grass mowing has increased in the last year. Given that we have become aware of discrepancies between expectation of what is to be cut, and what the supplier believes to be cut, and that new areas of unadopted land have been identified, the Finance Committee feel it prudent to increase the budget for the coming year to ensure that the appearance of the village is maintained to the best possible standard.

The tree survey has identified three trees that will require removal within the next year and have allocated funds to cover this.

Pavilion, MUGA and allotment expenses have been raised to anticipate increased costs of utilities over the coming year.

The amount for general repairs remains unchanged.

**Total cost: £19,594.36**

#### Administration Costs

The clerk's salary will increase in line with the NCALC guidance. As we have a new clerk, the training budget has been increased to £1,000 to ensure that she receives as much training as is required to fulfil her official duties and role.

Insurance has increased not only due to a general rise in the cost of insurance but also for the additional cost of insuring the skate park and outdoor gym.

NCALC and audit fees have been increased in line with the figures provided.

There is a need to re-register land assets into the new address for the PC and hence money has been allocated to cover the legal expenses associated to the registration process.

**Total cost: £17,450.73**

#### Projects and Assistance Grants

Whilst it is not clear whether or not the Welland Wanderer will continue through 2024/25 in its current format, the Finance Committee have agreed that we should provision at the current rate +10% to support the service.

Road Safety: to ensure that we support the initiative borne out of the Neighbourhood Plan, it is proposed that this year we purchase two new TVAS cameras – one for the entrance to the village on the Harringworth Road, the other at Station Road. The figure covers the cost quoted for two cameras the same as we already have on Corby Road, plus an allowance for the erection of poles, licences etc. etc.

The Finance Committee have allocated an amount to support the annual Fun Day as we did for the Coronation in 2023.

CCTV: two quotes have been received for CCTV for the whole of the recreation ground. The aim of installing CCTV and the area is to mitigate concerns about anti-social behaviour already ongoing, and to give reassurance that children using the skate park can feel safe in so doing. The highest quote received has been circa £8,500 and the Finance Committee will present the quotes to the Parish Council at a later date for approval. In the meantime, for budgetary purposes, an amount has been allocated at the highest price.

#### Nature Recovery Plan

An amount has been set aside to enable the council to get the project off the ground and possibly match fund grants received.

**Total Cost: £19,853.00**

Section 137 Payments are increased by £8.

#### Summary:

**Outgoing payments for the year are anticipated to be £56,988**

## Reserves

As a Parish Council we must maintain reserves to ensure that we may continue to operate on behalf of the Parish for a number of months, should any income not be received. With the anticipated monies held at the end of 2025 anticipated to be approximately £23,500. Within this figure accruals (allocated funds) have been made to prepare for costs after 2025. This leaves a net figure of approximately £18,500 which is 32% of expected expenditure or four months' reserves.

## Conclusion

An increase in the precept is required to cover the annual running costs of the Parish. As outlined at the beginning of the document this is proposed at £40,000. Ideally, the Parish Council should look to increase its reserves in case of a default of precept payments by NNC. Ideally this figure would be for 12 months (i.e. £40,000) which means that there is a difference between the expected year end reserve and the ideal reserve amount of £22,500. It is unlikely that we shall be able to recoup this amount in one year, but we should be aiming to increase it on a year-by-year basis. Bearing in mind that there will be elections upcoming, consideration must be given to the councillors who will be part of the next Parish Council and the Finance Committee aim is to hand over the finances in a healthy starting position.

To complete any project work it will be necessary to find funding. Cllr Thompson is already preparing an application for a grant (maximum £5,000) for the TVAS cameras. Likewise, to install CCTV we should also explore the possibility of funding. Although our applications for funding might be successful, we should bear in mind that it is unlikely we will receive 100% of the requirement and will be expected to put up at least 10% of each grant received.

Ongoing exploration for funding for the sewerage works required at the Recreation Ground is continuing and this will be covered in a separate paper. It is hoped that this item can be resolved separately, and as the Parish Council has already allocated £10,000 in the 2023/24 budget, there should be little or no impact in the 2024/25 budget.

It must be borne in mind that for some grants the Parish Council is required to either pay all invoices upfront and make reclaims from the funding source, or alternatively, cover the cost of the VAT on invoices and reclaim from HMRC. Therefore, the Parish Council needs funds available to maintain liquidity and cashflow during these periods. £18,5000 is a low liquidity level given that we have had/expect to have VAT invoices for the skate park alone that totals £17,500 in Q3 2023.

## Proposals:

- 1. The Finance Committee propose that the precept for 2024/25 be raised to £40,000.**
- 2. The TVAS and CCTV installations must receive an element of funding before implementation to allow the Parish Council to maintain liquidity.**