

# Bredfield Parish Council

## Budget 2025/6

Approved at the Parish Council Meeting November 25<sup>th</sup> 2024

### Summary

We should increase the precept by 5.26%.

Although budgeted expenditure in 2025/26 has only increased by 3% other receipts for next year have reduced – interest is down (less money in the bank and falling interest rates). Our VAT recovery for this year's expenditure this will be lower.

	Budget 2023/24	Forecast 2023/24	Budget 2025/26
<b>Payments</b>			
Fixed Payments	6,103	5,995	6,300
Discretionary Payments	1,314	1,349	1,250
	7,417	7,344	7,550
Less Wildlife Grant Funding	114	114	-
Total Payments	7,303	7,230	7,550
<b>Receipts</b>			
Precept	6,027	6,027	6,442
Other Receipts	1,282	1,289	1,123
Total Receipts	7,309	7,316	7,565
<b>Surplus / (Deficit)</b>	6	86	15

### Precept

The precept is calculated by dividing the budgeted parish council expenditure by the weighted average number of band D properties.

In 2024/25 our stated precept requirement was £6,027 and the Band D weighted average 158.61, making the charge for a Band D property £38.00.

For 2025/26 the Band D weighted average has increased to 161.05 as a result of the district council's change in policy regarding second homes. Our precept requirement has increased to £6,442 (see above).

This means the charge for a Band D property will rise to £40.00 from £38.00 – a 5.26% increase.

Unfortunately unavoidable but in context this is an increase of less than a penny a day.

## Fixed Payments

Most of our items of expenditure are fixed, with cost increases having a disproportionate impact on the precept.

This year we saw a 12% increase in insurance costs which was above budget. This unexpectedly high increase has had a knock-on impact on next year's budget.

Waste collection costs are interesting, rather than increase this year they went down for some reason, so actually budgeted costs for next year are lower than this year's budget.

	Budget 2023/24	Forecast 2023/24	Budget 2025/26
<b>Non Discretionary Costs</b>			
Wages	3,337	3,350	3,520
Payroll	113	113	115
ICO Reg	35	35	35
Stationery	25	25	25
Website	60	60	60
Insurance	500	544	575
SALC Subscription	195	204	215
Audit	270	268	300
Waste	1,343	1,171	1,230
Hire of Village Hall	100	100	100
Training	-	-	-
General - Other	125	125	125
<b>Total Fixed Payments</b>	<b>6,103</b>	<b>5,995</b>	<b>6,300</b>

## Discretionary Payments

From now on we will pay for maintenance of the Jubilee Meadow direct from our maintenance fund rather than continue with the unnecessary step of transferring funds to the BJMO account and then paying. This also has the benefit of flexibility when coping with the non-annual pattern of hedge and ditch maintenance.

To reflect the change the the asset maintenance budget has been increased and the BJMO grant removed.

Remember that any unspent maintenance money is transferred to the maintenance reserve at the end of the year.

As mentioned last year the grant for the wildlife website is now exhausted.

	Budget 2023/24	Forecast 2023/24	Budget 2025/26
<b>Discretionary Costs</b>			
Asset Maintenance	400	400	750
Community Projects	500	535	500
BJMO	300	300	-
Wildlife	114	114	-
<b>Total Discretionary Costs</b>	<b>1,314</b>	<b>1,349</b>	<b>1,250</b>

## Receipts

Our main source of income is the Precept, which is the only figure we can influence.

Our other sources of income are:

- a refund for the VAT paid in the previous year (a calculated amount). We just haven't incurred costs this year which contain VAT.
- contributions to waste collection from the village hall and shop - a proportion of the amount we pay East Suffolk.
- Interest – which I anticipate being lower, we have less money in the bank and interest rates are falling.

	Budget 2023/24	Forecast 2023/24	Budget 2025/26
<b>Receipts</b>			
Precept	6,027	6,027	6,442
Waste Contribution	752	651	683
Interest	150	250	150
VAT Refund	380	380	290
Other Income		8	
<b>Total Receipts</b>	<b>7,309</b>	<b>7,316</b>	<b>7,565</b>

## Other

### BJMO Fund

BJMO expenditure on non-maintenance activities is funded by both new and historic donations and therefore falls outside the scope of this budget.

### CIL

CIL funds currently stand at £8,390. These funds are ringfenced. Expenditure against this fund is restricted and on a case by case basis, therefore outside the scope of this budget.

### Reserves

At the end of 2024/25 after transferring £500 to our contingency I anticipate the General Reserve standing at £1,120.

The contingency will increase from £5,500 to £6,000 (reflecting the increase in precept as per council policy).

Therefore, the balance on the General Reserve at the end of 2025/26 should be £1,135.