Keswick and Intwood Parish Council Draft Budget 2026-27 and Precept Setting.

This document compares the current actual performance of the 2025-26 budget with the original proposal. It also contains a draft budget for 2026-2027; and proposals for the 2026-27 precept.

1. Keswick and Intwood Parish Council Actual Performance 2024-25 & 2025-26

1.1 The following table compares actual expenditure of 2024-25 alongside the budget and the year-end expenditure forecast for 2025-26:

	ACTUAL 2024/25 (£)	BUDGET 2025/26 (£)	YTD 2025/26 As of 30th September 2025 (£)	Y/E Forecast 2025/26 (£)
TOTAL PAYMENTS	**6,466,80**	**7,982.00**	**2621.27**	**6925.35**
Information Commissioner's Office	35.00	35.00	47.00	47.00
NALC Subscription	241.70	270.00	173.20	173.20
SLCC Subscription	80.00		0.00	*80.00*
NPTS Subscription	153.67		0.00	*80.00*
IT Subscriptions	689.97	350.00	84.00	*350.00*
Unity Trust Service Charge	71.40	72.00	36.00	*72.00*
Internal Audit Fee	80.00	80.00	80.00	80.00
Training	0.00	250.00	52.00	*150.00*
Insurance	924.15	1100.00	0.00	*1100.00*
HR Payments	3,874.41	3990.00	1769.42	*3990.00*
Clerk's Expenses	76.50	110.00	106.50	*250.00*
Payroll	120.00	145.00	145.20	145.20
Legal Expenses	0.00	500.00	0.00	*0.00*
Bus Shelter maintenance	120.00	180.00	40.00	*120.00*
Asset Replacement	0.00	150.00	0.00	*0.00*
Sundry	0.00	50.00	0.00	*0.00*
Donations	0.00	200.00	0.00	*200.00*
Reading Room Maintenance	0.00	500.00	0.00	*0.00*
Locum Clerk	-	-	87.95	87.95

1.2 Notes:

2025-26 Outcome:

The projected expenditure variances are made up as follows:

Association Subscriptions (63.20)

Training	100.00
Clerk Expenses	(140.00)
Payroll	(00.20)
Legal Expenses	500.00
Bus Shelter	60.00
Asset Replacement	150.00
Sundry	50.00
Reading Room Maintenance	500.00
Locum Clerk	87.95

1.3 Explanation of significant variances (£100.00 or more):

- Training – Training for two new Councillors had been completed. It is not foreseen that any further training will be required and therefore it is unlikely that the budget of £250.00 will be reached. As the following year (2026-27) is not an election year, and the Parish Council has no vacancies, the Clerk suggests reducing the training budget slightly (£200.00) for the following year.
- Clerk Expenses – At the May 2025 meeting, as per the recommendations from the internal auditor, Councillors agreed to pay the national WFH allowance of £6.00 per week to the Clerk, which had not been budgeted. Also mileage costs had been higher and unforeseen, as the Clerk was not currently commuting from Cringleford, but Dereham, as she was on maternity leave from her other employment, which was based in Cringleford. The WFH allowance would be included in the 2026-27 budget. Mileage costs were expected to reduce once the Clerk resumed her other employment in Cringleford from May 2026.
- Legal Expenses – no legal advice was predicted to be sought during the rest of the financial year.
- Asset Replacement – no assets are predicted to be broken by the end of the financial year and therefore will unlikely need replacing.
- Reading Room Maintenance – no communications received from the Reading Room Committee suggested that funds for maintenance would be required for the remainder of the year. Further to discussions with the landowner, and the return of the lease to the Gurney Estate, the Clerk recommends that the Reading Room Maintenance budget should be removed from the budget going forward.

2. Parish Council Reserves

2.1 Introduction

Keswick & Intwood Parish Council is required, under statute, to maintain adequate financial reserves in order to meet the needs of the organisation.

The Council's policy on the establishment, maintenance and adequacy of reserves and balances will be considered annually.

The Council will hold reserves for these three main purposes:

• A working balance to help cushion the impact of uneven cash flows, such as the time lag between the start of the new financial year and the receipt of the first precept payment and the upfront payment of VAT prior to reclaiming

• A contingency to cushion the impact of unexpected events or emergencies

• Earmarked reserves:

- A means of building up funds, to meet known or predicted requirements
- Money held for specific purposes such as CIL (Community Infrastructure Levy)
- Money pledged but payments unmade

2.2 Keswick & Intwood's specific requirements for 2025-26:

Working Balance

	Use	**Budget**
Cash Flow	To enable the payment of invoices prior to the receipt of the precept payment	£3991.00
VAT Payments	The payment of VAT prior to reclaim	£200.00
Total		**£4191.00**

Contingency

	Use	**Budget**
Parish Council Assets	To cover unexpected maintenance costs	£6000.00
Election	The potential cost of a by-election	£500.00
Unexpected Costs	To cover the cost of unexpected legal costs or other parish needs	£5000.00
Total		**£11,500.00**

Earmarked Reserves

Earmarked reserves at 30 September 2025:

CIL receipts totalling **£496.42**, broken down as follows:
- £266.00 (received financial year 2017-18)
- £230.42 (received financial year 2020-21)

For information, CIL money should be spent, or allocated to a project within 5 years of receipt. If this has not been done, the district council is within its right to claim these receipts back.

Any further earmarked reserves identified before the year end will be shown in the end of year accounts.

3. Keswick and Intwood Parish Council Draft Budget 2026-27

Budget Line	**Detail**	**BUDGET 2026-27**
Information Commissioner's Office (ICO)		£47.00
Subscriptions	Annual NALC subscription Annual SLCC subscription Annual NPTS subscription	£400.00
I.T.	Antivirus software (Norton) £50.00 Microsoft 365 (Microsoft) £80.00 Email addresses (Paston Chase) £210.00 I.T. support (Broadland Computers) £120.00 Website domain (NALC) £90.00	£550.00
Internal Audit Fee	Agreed June 2025 (minute reference 2025/50)	£100.00
Bank charges		£72.00
Training		£200.00
Insurance		£1,200.00
HR Payments		£4,200.00
Clerk's Expenses		£412.00
Payroll		£160.00
Legal Expenses		£500.00
Sundry		£50.00
Bus Shelter maintenance		£180.00
Asset Replacement		£150.00
Donations		£200.00
Total		**£8421.00**

3.1 Explanation of budget changes:

- Annual increases to regular payments e.g. insurance, maintenance costs, HR payments and subscriptions have been predicted based on previous yearly increments.
- Reading Room Maintenance has been removed.
- Training budget has been reduced.
- Clerk Expenses has been increased to include WFH allowance (£6.00 per week).

4. Precept Setting 2026-27

4.1 Current reserves 2025/26

The Council's current predicted general reserves at the end of the financial year (31st March 2026) totals **£17,369.36,** as detailed in the expenditure against budget (quarter 2) document. It is broken down as follows:

- Working balance: £4,191.00
- Contingency: £11,500
- Earmarked reserves: £496.42
- General reserves: £1,181.94

4.2 *Calculating the precept*

The Band D figure shown in the Council Tax bills is calculated by dividing the Precept amount by the tax base. The Parish tax base for the forthcoming year has not yet been supplied by South Norfolk District Council.

The Band D figure in 2025-26 was £38.38 based on the tax base of 208, whilst the previous year in 2024-25 it was £35.68 based on the tax base of 207. In 2023-24 it was £28.44 based on the tax base of 211.

4.3 Setting the precept

The Council should consider the previous year's expenditure alongside its current reserves and the budget that has been drafted for the 2026-27 year. The Clerk has drafted 2 options below that should be considered:

Option 1 – maintain the precept at its current amount (£7,982.00) and use the general reserves to pay for the remaining payments expected from the draft budget (£439.00).

Option 2 – increase the precept to the draft budget requirements (£8,421.00) keeping the general reserves untouched in case of unexpected projects that may arise over the financial year.

Options	**Precept Amount (£)**	**Band D charge* (£)**	**Band D Charge for 2025/26 (£)**
Option 1	£7,982.00	£38.38	£38.38
Option 2	£8,421.00	£40.49	

**based on previous tax base figures received from SNDC for 2025-26 of 208 (please be advised this may have changed)*

4.4 Recommendations

The Clerk recommends that the Parish Council selects option 2, increasing the precept in line with the budget.

Councillors should now consider and agree (a) the budget for the 2026/27 financial year and (b) the precept that will be requested from South Norfolk District Council for the 2026/27 financial year.