

NAPTON ON THE HILL PARISH COUNCIL

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Subject: Budget and Precept Proposal

Date: Friday 20th December 2024

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Introduction:

This report outlines the proposed budget for the 25/26 financial year and the associated precept requirement for Napton-on-the-Hill Parish Council. It provides the rationale behind the proposal, summarises key spending areas, and highlights implications for local residents. The Parish Council is invited to review, discuss, and approve the proposal.

Context and Background:

The precept is the local tax raised by the Parish Council to fund services and activities within the parish. For the 25/26 financial year, we aim to balance financial sustainability with the delivery of enhanced community services and infrastructure.

Key considerations:

- Rising costs due to inflation and increased utility expenses.
- Community priorities identified in recent consultations, such as streetlight upgrade, play equipment refurbishment, road safety measures, etc.
- The need to maintain adequate reserves to meet unforeseen expenses.

Summary of Proposed Budget:

- **Total Budget Requirement:** £55,932.00 (after subtracting predictable income for 25/26 financial year)

Breakdown of Key Expenditure Areas:

Category	Amount (£)	% of Total
Staff Costs	£20,750	35%
Maintenance (Village, Play Areas, Grounds, Sportsfield, Allotment, Streetlights)	£17,650	30%
Energy (Streetlights)	£9,000	15%
Grants & Donations	£2,000	4%
Admin Costs	£1,969	3%
Insurance	£1,800	3%
Community Health & Climate/Environment	£1,000	2%

Contingencies	£1,000	2%
Audit (Internal & External)	£700	1%
Hall Hire	£350	1%
Legal Fees	£500	1%
New Initiatives	£500	1%
Subscriptions	£700	1%
Training (Staff & Cllr)	£750	1%

Projects to Consider:

- New multi-play unit for Granton Playing Field
- New top for the grind box at the Skate Park
- Speeding/Traffic Calming Solutions on A425

On-going Projects:

- Streetlight Upgrade – Using reserves

Precept Proposal:

To fund the proposed budget, the Parish Council is requested to approve a precept of £50,000.00.

Impact on Households:

- Band D Equivalent Household Contribution: The proposed precept translates to a contribution of £89.99 per Band D household per year. This represents an 4.02% decrease compared to the previous year.

Rationale for the Precept Decrease:

The proposed decrease in the precept is possible due to the following factors:

- Using reserves to cover all streetlight maintenance during the 24/25 financial year and continuing to utilise the reserves during the 25/26 financial year reduces the need to precept for these costs.
- Using CIL funding and other funds received for larger projects requires less or no precept funds to be utilised for these costs.
- NPC has a very healthy reserves and even with £43,500.00 allocated to streetlight upgrade and potentially using £14,000.00 on playground equipment, NPC still has £24,500.00 left in reserves. NPC's 25% retention threshold for contingency is £14,670.00, meaning NPC's reserves are well above the recommended retention amount allowing them to maintain a healthy status.

Recommendations:

It is recommended that Napton Parish Council:

- Approves the proposed budget of £55,932.00
- Agrees to set the precept at £50,000.00

Next Steps:

1. Notify Stratford District Council of the agreed precept by 24/01/2025.
2. Publish the budget summary for residents to ensure transparency.
3. Implement the agreed expenditure plan from 01/04/2025.