



HELSEBY PARISH COUNCIL

Budget Report: Justification of the Precept Request for the Financial Year 2025/26

The Finance Committee is recommending a greater than usual increase in the precept this year given the continuing rise in the cost of living and the increasing cost of many of our goods and services. The council is mindful not to overburden local taxpayers, however, given that our staff costs and several of our service contracts have risen sharply¹, we feel that it will be necessary to increase it by a higher level in 2025/26 than in previous years. To balance our income with our expenditure in 2025/26, we would need to increase the Band D precept charge by around 16%. However, we are proposing a much lower increase of 10% by using some of our general reserves to fund some goods and services in 2024/25 (around £7,865). It is also worth noting that the tax base has increased from 2096.8 in 2024-25 to 2171.8 in 2025/26 therefore enabling us to keep the Band D increase lower.

Based on a precept amount of £124,250, a Band D property will pay £57.21, an increase of £5.21, when compared with 2024/25. The actual percentage precept increase will be 13.9% from £109,040 in 2024/25 to £124,250 in 2025/26. As can be seen in the table below, this will only be the second increase in the Band D precept charge since 2018/19. For comparison, the Band D precept charge in Frodsham in 2024/25 was £93.71 and across England, the average charge was £85.88. Despite the proposed increase in 2025/26, we feel that Helsby Parish Council continues to offer local taxpayers value for money.

Year	Per Band D Property	Band D Properties	Total	Percentage change
2018/19	£49.32	1,960.3	£96,675	10.78%
2019/20	£49.32	2,023.50	£99,799	3.23%
2020/21	£49.32	2,032	£100,218	0.42%
2021/22	£49.32	2,046.70	£100,943	0.72%
2022/23	£49.32	2,080.6	£102,615	1.66%
2023/24	£49.32	2,125.8	£104,844	2.17%
2024/25	£52.00	2,096.8	£109,040	4.00%
2025/26	£57.21	2,171.8	£124,250	13.9%

Irrespective of the current financial climate as outlined above, receipts during the 2024/25 financial period have been as expected and budgeted expenditure is likely to be lower than predicted. We budgeted £147,255 in receipts and we expect an overall income of around £147,538. In terms of payments, we budgeted £151,120 and expect to spend around

¹ The costs of the Ho Ho Helsby traffic management service has more than doubled since last year, the council's grass and hedge work will also increase significantly from 2024/25 costs and additional employer National Insurance costs will be imposed by HMRC from April 2025.

£136,335² on budgeted expenditure by the end of March 2025. Comparing predicted end of year income with predicted end of year budgeted expenditure, we expect there to be a surplus of around £11,203 (receipts of £147,538 less payments of £136,335). However, in real expenditure terms (budgeted expenditure plus earmarked reserves expenditure), there will be a significant deficit of around £53,978.

Receipts

Total receipts for 2024/25 are expected to be as predicted. Whilst cemetery income is far lower than usual this year, we are expecting much greater levels of bank interest due to moving to higher rate savings accounts. Interest levels for 2024/25 are already greater than the total amount we received last year. The budget for Council income has been increased from £147,255 in 2024/25 to **£163,932** in 2025/26. This covers the larger precept amount, a lower predicted level for cemetery fees and a higher level for bank interest. We do not anticipate any significant grant income during 2025/26 although there may be some grant claims made to implement any park masterplan proposals. Predicted income from VAT recovery has been increased slightly for 2025/26 (the latest VAT position is currently around £7,000 so should reach £9,000 by the end of March). It is always difficult to predict burial income which can fluctuate significantly each year. We have agreed to settle on a modest figure of £5,000 for 2025/26.

Payments

The Council budgeted £151,120 in 2024/25 and it is anticipated that budgeted expenditure will be around £136,335. Along with the Council's usual annual expenditure (e.g. grass cutting, salaries, general maintenance, Christmas lights) we will have implemented several projects throughout the year including a new website, enhanced meeting facilities at the parish office, a new bench and noticeboard, the cemetery extension area project and the installation of average speed cameras. Some elements of the budget cost us more than we expected including:

- Salaries – From April 2024, the Clerk moved to full time working hours and received a higher-than-average pay increase. This wasn't budgeted for in January 2024 as the council only approved these changes in April 2024. It has now been agreed to review the Clerk's terms and conditions of employment each December meeting so any proposals can be budgeted for as early as possible;
- Legal and professional – there are several outstanding land and lease issues, some of which have been addressed this year (including drafting a new lease with the Village Produce Association, carrying out a buildings survey of the guide hut and arranging a Land Registry certificate with Fields in Trust for the scout hut);
- Equipment – following an accessibility audit, the council agreed to create a new website which was compliant with the latest accessibility legislation (this wasn't budgeted for last January). We also bought several new items of furniture for the parish office to enable all parish council meetings to be held there; and
- General maintenance – the council had not awarded this contract in time for the 2024/25 budget meetings and costs were slightly higher than anticipated. Our

² We also expect to spend an additional £65,181 on projects under earmarked reserves funds (broken down as follows: £3,200 on the cemetery extension project, £54,676 on average speed cameras, £1,236 on the S106 Queens Drive allotment project and £6,069 on the parks masterplan.

contractor has also carried out several ad-hoc tasks over the course of the year such as replacing planters, bench installation and supporting councillors with the beacon lighting ceremony on Helsby Hill. We have increased this budget in 2025/26 to accurately reflect the contract costs and to account for any ad-hoc maintenance requirements.

Expenditure was lower than anticipated for several cost centres for the reasons below:

- Grass cutting – the council moved to a cut on the playing field every week during 2024 so kept the budget fairly high to account for this. The council’s contractor offered a lower price than expected to carry out this additional service. However, several cuts were missed throughout the grass cutting season and we negotiated a small reduction in the contract cost as a result;
- Christmas illuminations – the council budgeted generously for some new festive decorations in 2024/25. Most of the funds have been used but we expect a shortfall of around £2,000 from a £20,000 budget. As a result, we have dropped this budget significantly to £12,000 in 2025/26;
- Community centre repairs and heat/light – CW&C has yet to provide an invoice for any centre maintenance and shared electricity bills despite many attempts by the council to request any outstanding costs and any predicted costs going forward; and
- Community projects – the council decided not to run the annual Grant Show but instead to earmark funds for several environmental improvements in 2024/25. It seems unlikely that the borough council will enable the parish council to use contractors to tackle some work so expenditure is likely to be lower than budgeted for. We have also expressed an interest in CW&C’s new Highways Volunteer Scheme so some environmental work may be carried out at no cost.

The budget for Council expenditure has been increased from £151,120 in 2024/25 to **£171,797** in 2025/26. This covers general inflation in some areas but also includes additional funds for: staff salaries; general maintenance; legal and professional; the Christmas tree and traffic management service for Ho Ho Helsby and grass cutting. Several of the council’s contracts expired this year and some budget codes are based on quotes received through competitive tendering processes. We found that the costs for a number of these contracts had increased substantially on previous years (e.g. the costs of the Ho Ho Helsby traffic management service has more than doubled since last year and the council’s grass and hedge work will also increase significantly from the 2024/25 costs). The salary budget also includes the changes to employer National Insurance contributions as announced by the government in the 2024 Autumn Budget. These changes are expected to cost the council an additional £1,000 in 2025/26.

Reserves and Future Projects

By the end of March 2025, the Council will have placed around £129,452 into earmarked funds. This is lower than in 2024/25 due to the implementation of some earmarked projects. Some earmarked funds are for long-term resilience planning, including future burial provision (£33k by end of March 2025) and play area improvements/upgrades (£50k by end of March 2025). Other funding is for one-off projects which have been completed or partially completed this year (e.g. speed cameras, S106 Queens Drive allotments, parks masterplan

and the cemetery extension area project) or will be completed in future years (e.g. Helsby Community Centre maintenance). During 2024/25, we transferred funds from the future burial provision earmarked fund and from general reserves to cover the construction part of the cemetery extension area project, which may or may not be completed by the end of March 2025. We also gained a small fund for maintaining the Helsby News website.

General Reserves

The Council's general reserves act as a contingency for unexpected inflation, unforeseen events and unusual circumstances. They can also be used to offset the budget requirement, if necessary. At the end of March 2024, our general reserves stood at £77,877. It is recommended by the Joint Panel on Accountability and Governance that our general reserve should be maintained at between three and twelve months of net revenue expenditure.

In January 2024, the council adopted a reserves policy to agree a level of general reserves appropriate to our size, situation and levels of risk. The agreed minimum level of general reserves to be held by the Council at that time was six months of predicted net revenue expenditure (currently £54,520). It was also agreed that the policy would be reviewed annually to ensure these levels remained appropriate. It is proposed to increase this minimal level as based on the 2025/26 budget to £62,125. Taking the above payments and receipts for 2024/25 into account, it is estimated that there will be £195,215 in the council's accounts by the end of March 2025. Putting aside the funds expected in earmarked reserves (£129,452), the council should have a general reserve fund of around £65,763 by the end of this financial year.

Budget 2025/26

RECEIPTS

Budget Heading	Description	Budget 2024-25	Receipts as at 30.11.24	Predicted receipts at 31.3.25	Budget 2025-26
Code		£	£	£	£
101	Precept	109,040	109,040	109,040	124,250
102	Interest on accounts	3,000	3,152	4,952	5,000
103	Rent on 'Eccies' etc	13,315	6,624	13,315	13,582
104	Grants	0	1,419	1,419	0
105	Insurance claims	0	0	0	0
106	Helsby Community Centre	5,000	1,249	3,011	5,000
107	Cemetery fees	7,000	755	2,945	5,000
108	Allotment rents	1,800	1,955	1,987	2,000
109	Sundries	100	40	40	100
110	VAT recovery	8,000	10,829	10,829	9,000
112	Ho Ho Helsby	0	0	0	0
TOTAL		£147,255	135,063	147,538	163,932

Explanation of significant variances (+/- 10% or above) between 2024/25 and 2025/26 budgets as follows:

101 Precept – an increase of 13.9% mainly due to rising staff costs and service contracts.

102 Interest on accounts - interest received in 2023/24 was £3,092, expected to be higher this year as we have switched to savings accounts with much higher rates of interest. For example, our new savings account with CCLA offers a savings rate of 4.74% in contrast with previous savings accounts which typically offered rates of around 1.5%.

107 Cemetery fees – Income in 2023/24 was £10,950. Income by the end of November was only £755. It is difficult to predict burial income which can fluctuate significantly each year. We have agreed to settle on a modest figure of £5,000 for 2025/26.

108 Allotment rents – income reflects the latest fees which were increased in October 2024.

110 VAT Recovery – increased by £1,000 (currently at £7,000 and expected to be around £9,000 by the end of the year).

PAYMENTS

Budget Heading	Description	Budget 2024-25	Payments as at 30.11.24	Predicted payments at 31.3.25	Budget 2025-26
Code		£	£	£	£
201	Allotment maintenance	3,150	3,242	3,542	3,800
202	Allotment water charge	315	117	197	200
211	Cemetery repairs/renewals	1,050	241	241	800
212	Cemetery maintenance	3,675	4,691	4,941	5,500
213	Parks and general maintenance	12,600	10,581	14,981	15,000
214	Park grass cutting	5,250	3,856	3,856	10,000
215	Park equipment	2,500	1,856	3,480	3,500
218	Bedding plants	750	805	830	800
219	Village clock	0	0	0	0
220	Maltby Triangle / A56 land	210	33	33	100
222	Christmas tree	2,757	0	3,586	3,807
223	Litter/dog/grit bins	400	0	0	400
224	Village awards	0	0	0	200
225	Ho Ho Helsby Traffic Manage	1,155	0	500	2,120
226	Average speed cameras	0	0	0	0
227	Bridge Lantern Lights	1,000	753	1,003	1,000
228	Christmas Illuminations	20,000	3,800	18,000	12,000
229	Sherwood Court Land	525	1,477	1,477	1,000
230	Street furn/BT Phone Boxes	4,000	3,803	3,803	3,000
231	War Memorial	0	0	0	0
232	CC – Light and heat	5,000	1,690	1,986	5,000
233	CC – Repairs and renewals	3,000	0	0	3,000
234	CC – Water charges	450	315	472	500
235	CC – Insurances	510	0	500	540
237	CC – Sundries	100	44	44	100
238	Clerk’s annuity/pension	2,800	2,282	3,422	3,700
239	Hire charges (Meetings)	250	40	40	50
240	Cllr/employee training	600	125	185	400
241	Salaries	38,000	29,871	44,807	49,000
242	Council Office	735	893	893	900
243	Admin subscriptions	3,800	2,792	2,891	3,000
244	Admin car allowance	378	152	220	300
245	Admin stationery	100	30	66	100
246	Postage and phone	1,000	667	987	1,020
247	Councillors' expenses	100	144	164	100

248	Internal audit fees	365	363	363	365
249	Admin sundries	250	130	198	200
250	Remembrance Day	300	325	325	300
251	External audit fees	420	420	420	420
252	Insurance premium	1,500	1,630	1,630	1,700
253	Legal and professional	1,000	2,277	2,777	3,500
254	Donations – s.137	0	0	0	0
256	Equipment	1,000	2,305	2,601	1,000
258	Sundries	3,000	1,709	2,939	3,000
261	Community projects	5,000	1,000	3,000	5,000
262	Chairman’s allowance	225	94	194	225
265	H&S, PPE etc	500	118	118	200
267	Newsletter	4,500	3,577	4,619	5,000
270	Neighbourhood Plan review	0	0	0	0
275	Parish Election expenses	0	0	0	0
501	Play area improvements/upgrades	9,000	0	0	9,000
502	Future burial provision	7,900	0	0	10,950
TOTAL		£151,120	£88,248	£136,331	£171,797

Explanation of significant variances (+/- 10% or above) between 2024/25 and 2025/26 budgets as follows:

201 Allotment maintenance – increased to include contractor costs of £2,967, hedge maintenance costs of £240 and an additional allowance for any ad-hoc work.

202 Allotment water – reduced as based on water charges in 2024/25.

211 Cemetery repairs/renewals – reduced as very little expenditure in 2024/25, mainly to cover memorial testing in 2025/26.

212 Cemetery maintenance – increased to include contractor costs of £4,450 and any ad-hoc work such as spoil heap clearance and possible additional grass cuts.

213 Parks and general maintenance – increased to include contractor costs of £10,290, hedge maintenance costs of £315 and any ad-hoc work such as tree work, bench installation and beacon lighting.

214 Park grass cutting – costs expected to be much greater than in 2024/25 as based on various tenders received for the new 3-year contract. Final costs will be confirmed in January. Includes an allowance for path edge cutting in 2025/26.

215 Park equipment – increased as now includes scout and guide hut electricity payments for the parish field lighting (£684).

220 Maltby Triangle – reduced as hedge cutting is usually the only expenditure here and cost in 2025/26 is £75.

222 Christmas tree - increased as new contractor will charge £3,807 per year for the next 3 years. Suppliers have announced a significant increase in tree prices next year.

225 Ho Ho traffic management – increased as scope of the event has changed requiring additional operatives. Costs to remain at 2025/26 rates for the next 3 years.

228 Christmas illuminations – reduced as not intending to purchase any further new equipment in 2025/26.

229 Sherwood Court land – increased as potential bereavement support project in 2025/26.

230 Street furniture – reduced as planters have now all been replaced.

234 HCC water charges – increased as costs have risen based on latest billing.

238 Clerk's pension – Clerk's increased working hours and pay rises were not budgeted for in 2024/25. Increased to cover this in 2025/26 along with further salary increases.

239 Hire charges – Reduced as Full Council meetings now held in parish office.

240 Training – reduced as fewer overall councillors and Clerk is now qualified.

241 Salaries - Clerk's increased working hours and pay rises were not budgeted for in 2024/25. Increased to cover this in 2025/26 along with further salary increases and employer National Insurance changes from April 2025.

242 Council office - Suggest rewording to 'Office Service Charge'. Annual utility costs for HCSC office set as £635 per annum (index linked) but tend to be higher so increased for 2025/26.

244 Admin car allowance – reduced to better reflect 2024/25 costs.

249 Admin sundries - reduced to better reflect 2024/25 costs.

252 Insurance premium – increased based on current costs. 3-year long term undertaking taken out for PC insurance in 2024/25. Annual cost is £1,451.21 plus an additional £58 for dispute and debt cover. Also includes allotment insurance (around £120).

253 Legal and professional - Several lease/land registry issues are outstanding so expenditure likely to be considerable in 2025/26.

265 H&S, PPE - reduced to better reflect 2024/25 costs.

267 Newsletter – new editor so increased slightly over inflation to account for any potential changes.

502 Future burial provision - Figure for 2025/26 is 100% of the cemetery income from 2023/24 as shown in 31st March 2024 financial statement (£10,950).

Claire Jones, Responsible Financial Officer, January 2025