

TOSTOCK PARISH COUNCIL BUDGET 2025-2026

1. General Reserve

In the absence of a General Reserve in 2023-2024, the Council last year set a reserve at 25% of the anticipated revenue expenditure for the year. This has been maintained and supplemented by interest gained on the Council Reserve Account so has grown steadily and healthily by several hundred pounds

Sections 32 and 43 of the Local Government Finance Act 1992 require local authorities to be mindful of reserves needed for meeting estimated future expenditure when fixing budget requirements. The General Reserve has no restrictions on use and cushions the impact of uneven cash flows, offsets budget requirements (if necessary) or can be held in case of unexpected events. The Practitioners' Guide issued by The Joint Panel on Accountability and Governance advises:

“The generally accepted recommendation with regard to the appropriate minimum level of a Smaller Authority’s General Reserve is that this should be maintained at between three (3) and twelve (12) months Net Revenue Expenditure (NRE). The smaller the authority, the closer the figure should be to 12 months NRE, the larger the authority the nearer to 3 months.”

2. Tostock Chronicle

In 2023-2024 it cost £2,080.00 with income at £522.50 - a gap of £1,557.50. This was considered to be excessive budget-wise and resulted in action to reduce the size of the newsletter whilst retaining its undoubted value to the village. Also, the advertising costs were doubled. The latter resulted in the loss of three annual advertisers since when two new ones have come forward, plus there have been several one-off adverts placed. However, the projected cost for 2024-2025 is still higher than anticipated at £1,886.00 although income has increased to £1,315.00 such that there is a more acceptable gap of £571.00. Assuming a 16-page newsletter is maintained consistently in 2025-2026 then the 'deficit' should be around the same figure next year.

3. Council Mower

With the Council-owned ride-on mower around 20 years old the Finance Working Group felt it appropriate to start a renewal fund. It is the most expensive asset owned by the Council and there is the risk that it could fail at any given point. Hopefully, it will last for more years yet but to not recognise the fact that it is ageing and to start to provide for its eventual replacement would be irresponsible.

4. Precept

The 2023-2024 precept was subject to a reduction which presented financial difficulties when deciding the requirement for 2024-2025. As a result an enforced and significant rise in the precept was necessarily recommended which was agreed by the Council.

As a result of effective and controlled financial management by the Council in the current year, the budget proposed for 2025-2026 means that there is no need to increase the precept again.

The Parish Council element of the council tax demand is therefore unaltered at £53.38 (Band D) resulting in a precept of £12,463.00.