



REPORT FOR DECISION

Item No:- FC24/030

Committee:-	Finance and Governance Committee
Date:-	18 th September 2025
Author:-	Martin Hammond, Clerk
Report Title:-	Budget Planning for 25-26
Wards Affected:-	All

1. Purpose of Report

To seek the committee's views on setting the Councils' overall net budget at approximately £525,000 for the 2025-26 year.

2. Recommendations

That the committee set out the parameters for the 25-26 budget ahead of public consultation during the late autumn and for Council to consider at its next meeting.

3. Information – starting position in 24-25

3.1. The gross expenditure for 24-25 amounts to £524,862 and is funded by

Precept	£490,000
Bank interests	£ 3,000
Cash in hand as at 1 st April	£ 31,862

There is also £98,7400 held in an earmarked account for public toilets installation, and £44,170 currently held in the elections reserve, both of which will be called upon in 2025.

3.2. There was £31,862 unspent at the end of 23/24 financial year and committee agreed to allocate some of this to reserves and some to supplement the budgets for civic assets and to support Shopmobility to stay in business during April.

4. Known variations during 24/25

4.1. The likely out-turn for the year is expected to be below the budget estimates,

4.2. Expected under spendings or improvements in income

Item	Reason	Amount
Half Marathon	The cost is likely to be nearer £5000 than £25000 as a result of the arrangements made with the provider	£20,000
Public toilets	The likelihood of toilets being operational in this financial year remains very low because of the slow progress with the conveyance of land.	£30,000
Ise Valley Play area	NNC has made no visible progress with the Ise play area, so it is assumed that this budget item not be called upon in year.	£7,000
Bank interest payments	Bank interest payments have continued to be greater than expected	£3,000
Market income	The market is performing more strongly than planned for	£3,000
Miscellaneous	Various minor changes; net savings of	£2,000

4.3. Additional costs

Item	Reason	Cost
Pay award	The pay award for 24-25 has yet to be agreed; a 3% increase was built into the budget but the projected increase is likely to be higher, which will put an extra strain on the overall budget.	Each additional 1% cost = £1000 assume £2000
Events (excl. half marathon)	Additional costs related to <ul style="list-style-type: none"> - Kettfest, - Kettering by the Sea - Storage of equipment, - Additional security costs of town centre events 	£5000

4.4. This means that the budget will be underspent by about £58,000 in this year. The funds can be used either to enhance reserves or part subsidise next year's precept.

5. Projected changes for the 25-26 budget

- 5.1. Appendix One also projects the spending into 2025-6 with the following key changes, compared to the original 24/5 budget.

Potential new service pressures

Item	Reason	Extra Amount
Kettfest	M&E Ctte have agreed to take a more proactive approach to future year's provision given its overall impact on the town centre. This means fully funding the event and adjusting the grant to Kettering Cultural Consortium accordingly	£9,000
Town centre planting	Enhancements to planting scheme	£4,000
Salaries	General inflationary costs An increase in hours for the admin officer to enable the deputy clerk in particular to focus more fully on events Likely recruitment costs re clerk position in 2025/6	£12,000
All other inflationary costs	Particularly for insurance, audit costs, and security for events	£3,000
Neighbourhood Plan	Provision for full year costs of developing the neighbourhood plan	£2,000
Public toilets	A full year provision of £36,000 compared to part year estimate of £30,000 in 24/5 means a net year on year increase in the estimate	£6,000

Potential reductions in the budget

Item	Reason	Amount
Speed devices	Removal of item for 25/6	£3,500
Play area investment	NNC declined this Council's offer of an annual contribution to improving play areas in return for an investment plan being drawn up by them for Kettering's play areas	£5,000
Half marathon	Long term agreement with provider suggests only residual costs will be required for promotional and on the day costs	£20,000

5.2. These movements suggest that the budget requirement for 25/6 will be under £512,000, which could be met as follows

Precept	£490,000 (no change)
Bank interest	£ 5,000
Cash in hand at year end	up to £ 17,000

5.3. In reality, the amount of cash in hand is likely to be much higher than £16,000 - a projected £58,000 - so the Council could make use of that £42,000 difference to reduce its Council tax demand, or add to reserves.

5.4. This report does not envisage any other general transfer of assets or services from NNC although the possibility of being approached to pick up services or assets which NNC can no longer afford remains a possibility. Clearly any such "offer" would add additional costs to the Town Council's budget. They are, however, unlikely to impact straight away from 1st April.

6. Consultation and Engagement

6.1. The next report on this agenda sets out the consultation programme for the budget from now until the end of the calendar year.

7. Finance, Legal and Resource Implications

7.1. The budget set out in Appendix One and in the bulk of the report above is a net budget, in that trading or other income has been taken into account in the figures for each activity area. Income comes largely from event and market stall hirings and from allotment rents.

7.2. The Council's budget remains one which puts a relatively light call on council taxpayers – at under £30, the precept remains about one third the average precept for a parish council in North Northamptonshire or nationally.

8. Climate change implications

None specifically, although the Council's policy is to take account of climate change implications in everything it does.

9. Policy Implications

The Council's policy is make best use of its resources. The corporate plan will be revised alongside the budget as it is prepared.

Background Papers

None