



Laxfield Parish Council

Finance Committee



Minutes of 2026/27 Budget Setting Proposals Meeting

15 December 2025 at 4:30pm in the Parish Room

1. Apologies and approval of absences

Attendees: D. Martindale (Chair), R. Sutton, L Sharman, P. Lowe (Clerk). There were no absences.

2. Approval of Finance meeting minutes

The minutes from the Finance committee meeting held in 2024 were approved.

Proposed R Sutton, seconded, L Sharman, AIF.

3. Accounts review:

Parish Council accounts at 31 November 2025:

• Barclays current account	-	£ 7,136.09
• Barclays saver account	-	£ 1,171.09
• Barclays reserve account	-	£ 100,141.55
• BALANCE TOTAL	-	£ 108,448.73

Remaining operational spend (approximate) to end March 2026 - **£20,375**

Remaining income (approximate) to end March 2026 - **£6,464**

CIL money:

- CIL Budget as at March 2025:	£ 119,807.83
- CIL spend so far this year:	£ 32,400.23 (excludes VAT)

Future CIL spend timeline cuts offs:

- £ 3707 needs to be spent by Apr/Oct 2027
- £ 83306 needs to be spent by Apr/Oct 2028
- £ 394 needs to be spent by Apr/Oct 2029

Village Hall accounts at 31 November 2025:

• Barclays current account	-	£ 14,395.12
• Barclays saver account	-	£ 28,012.13
• BALANCE TOTAL	-	£ 42,407.25

Snook Bequest account at 31 November 2025: **£ 11,286.47**

4. 2025/26 Budget review - year to date and forecast:

Current gross spend as at 31 November is £79,766 (£34,890 of this will be allocated to CIL, or £30,285 after VAT reclaim). Total receipts so far this year are £61,677, with pending VAT claims of £5,504 not included. Remaining spend for the last 4 months of the year is estimated at just over £20,000 for operational/loan repayment spend, and a further £3,800 of CIL for the new village heritage sign and two gateway signs.

The forecast budget position by end March 2026 indicates that very little money will be available, other than the existing CIL Reserves. This is mainly due to high maintenance costs in previous years and throughout 2025, together with lower than predicted grants and receipts.

Future budget setting and spending will therefore need to build up a small operational budget reserve to provide contingencies.

Around 56% of our annual precept is spent on 'indirect costs' and the PWLB loan. This leaves inadequate funding for maintenance, cemeteries, street lights, playing fields, the Pavilion, dog bins, utilities and to support local community groups. The situation is made worse by maintenance cost continuing to increase over the past 3 years. This is exacerbated by a reduction in spend/services by SCC and MSDC, leading to pressure on the Parish Council to fill the gap. Furthermore, the Parish Council's energy bills are inflated, due to contracts not being renewed and moving to higher high tariffs.

Over the past 16 years, the Parish Council has paid £192,000 towards the Public Works Loan Board for the upgrade of the village hall back in 2009. Approx 51% of this has been interest payments, with £71,000 of a £159,000 loan still outstanding. Each year the Parish Council pays £11,300 towards the loan, which takes up 21% of the total annual precept. The loan has a significant impact on the Council's budget and reduces our ability to effectively maintain/improve the parish.

CIL receipts

In 2024/25 the Parish Council only received £394.24 of CIL money and there are no further receipts are expected. By the end of the financial year, CIL reserves are expected to be around £83K. There is also £45,312 of Section 106 funding available to be spent on *Open Spaces, Sports and Recreation*, with any capital schemes needing to be completed by July 2028. These funds are not allocated to the Parish Council's bank accounts, as schemes need to be reviewed by the MSDC Infrastructure Team before money is transferred.

Actions:

- Carry out further work to understand what exactly the Parish Council is responsible for maintaining and/or improving - especially with SCC having reduced their services across many areas of highways and paths. It's currently unclear who owns some of the key assets/locations across the parish – in particular within the conservation area.
- Clerk to change tariffs with Npower and Eon Energy, after examining possible refunds for the street lighting account (currently on an unmetered contract), and is not reflecting previous investments made to change village streetlights to low energy units.
- Discuss the PWLB loan repayments at the next Village Hall Committee meeting, to examine future options to share part of these annual costs as an overhead and/or to review future booking charges for the Parish Council and community groups.

5. Proposed Budget for 2026/27

The forecast budget is set out in Appendix 1. Appendix 2 shows the workings for setting the budgets for each cost centre and the expected receipts.

Key points to note:

- The budget amounts are based on past spend trends and the Finance Committee wanted to change some of the cost centre names to make it easier to show in-year variances. This includes changing the format to separate out operational and CIL spending, as this is crucial to ensure we manage our operational budget clearly and effectively.
- We have estimated that £2K in CIL receipts in 2026/27, based on in-year planning committee information, which identified a couple of planning applications that will pay a small amount of infrastructure levy. It is worth noting that, unless further major developments get approval in

the near future, it's clear that our CIL reserves will deplete significantly over the next couple of years. Given the huge programme of works identified in the recent Neighbourhood Plan prioritisation exercise, the Parish Council will need to ensure CIL money is used effectively as a match to lever in external funding.

- Surveys and inspections - these often happen every 3-5 years, so additional money should be allocated annually and built up in non-CIL reserves.
- It is likely there will be a one-off expenditure for the village pond in 2026/27 to carry out work based on recommendations from the RLSS safety and risk inspection. Even if this was to be charged to CIL, we will need to budget for regular village pond maintenance works, to cut back the plants around the pond and remove/treat the pond weed.

6. Precept for 2026/27

Propose increasing the annual precept to £58,000. This is necessary to reflect:

- A 3.8% increase in inflation, based on September RPI;
- estimated 6% increase in the Laxfield population, with residents moving into new homes on the Blacksmiths Way and Cullingford Close developments;
- an ongoing increase in maintenance costs and the pressure to cover services that would traditionally be covered by SCC Highways;
- the need to build up a small operational reserves for contingency and periodic one-off costs.

This will be presented to the Full Council on 12 January for approval, prior to submitting the Precept form and template at the end of January 2026.