FAIR OAK & HORTON HEATH PARISH COUNCIL
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SUMMONS

Dear Member 3 March 2025

You are hereby summoned to attend a meeting of the **FINANCE COMMITTEE** held on 7 March 2025 at 10.00 am at the Parish Office, 2 Knowle Park Lane, Fair Oak.

Melanie Stephens
Melanie Stephens, Parish Clerk

PUBLIC INFORMATION: Members of the public are welcome to attend this meeting. The seating capacity of our Conference Room for members of the public is limited under fire regulations to 22.

PUBLIC PARTICIPATION: Members of the public may speak in accordance with the Council's public participation scheme: (a) on items under the Council's remit which are not on the public agenda; and/or (b) on individual items on the public agenda, when the Chairman calls that item. Speeches may not exceed three minutes.

Anyone wishing to attend the meeting or speak in accordance with the Council's public participation scheme, should contact the Parish Clerk by emailing clerk@fairoak-pc.gov.uk no later than 12.00 noon on Tuesday 4 March 2025.

AGENDA

APOLOGIES

1. DECLARATIONS OF INTEREST

To receive declarations of interest and dispensation requests.

2. MINUTES (PAPER A, PAGES 3-5)

To note the minutes of the meeting held on 2 December 2024.

3. PUBLIC PARTICIPATION

To receive any public participation in accordance with the Council's public participation scheme.

4. FINANCIAL MONITORING REPORT (REPORT B, PAGES 6-20)

To note the report of the Finance Officer.

5. ALLOCATION OF CAPITAL RESERVES 2025/26 (REPORT C, PAGES 21-24)

To approve the allocation of capital reserves for 2025/2026.

6. INVESTMENT STRATEGY 2025/26 (REPORT D, PAGES 25-27)

To agree the Investment Strategy.

7. ADDITIONAL DEBIT CARD (VERBAL REPORT)

To consider allocating the Community Development Officer a Council debit card and to make necessary changes to financial regulations.

8. WORK PROGRAMME (REPORT E, PAGE 28)

To note the work programme.

To: Councillors		**Officers**
Cllr P Barrett	Cllr K Forfar	Mrs J Cahill (RFO)
Cllr H Douglas (Chairman)	Cllr T Higby	Mrs M Leadbitter-Allen (Deputy Clerk)
Cllr W Chivuchi	Cllr M Marsh	
Cllr N Couldrey	Cllr B Tennent	

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Minutes of the **FINANCE COMMITTEE** meeting held on Monday 2 December 2024 at 2.00 pm at the Parish Office, 2 Knowle Park Lane, Fair Oak

Present: Cllrs Barrett, Couldrey, Douglas (Chair), Forfar, Higby, Marsh & Tennent

Officers in attendance: Joanna Cahill, Responsible Finance Officer and Melanie Stephens, Clerk.

Apologies: there were none.

9. DECLARATIONS OF INTEREST

Cllr Couldrey in Minute No 12.

10. MINUTES OF MEETINGS (PAPER A)

RESOLVED:

That the minutes of the meeting held on 8 July 2024 be noted.

11. PUBLIC PARTICIPATION

There were no members of public present.

12. COMMUNITY GRANTS (REPORT B)

Cllr Couldrey disclosed a disclosable pecuniary interest on the grounds that he was a trustee of one of the grant applicants, namely the CAB. He did not participate in the discussion and did not vote.

The Committee considered the grant applications received for 2024/25.

Discussion ensued on whether the grant fund had been fairly distributed between the applicants, based on the merit of each project. Members expressed some concern regarding the Kings School Charity's request as they felt that the plaque and founding stone, being of historical value to all residents, should be placed outside the school for easy access to the wider community. Members there requested that the award proposed be conditioned to include that any plaque and the stone be accessible to all.

Similarly, some Members wanted reassurance that the request put forward by St Thomas Church would be of benefit to the wider community. The Clerk confirmed that the requested amount was for the provision of a community wide lunch available to all residents.

Some members also queried whether the pantomime organised by the Village Hall was a free event for the wider community. It was confirmed that this was a ticketed event. Whilst members were happy to support the proposed grant award this year, they requested that officers seek sales and ticket price figures for consideration for any future request.

RESOLVED:

(a) That the Council approve the community grant awards as set out below:

ITEM	APPLICANT	TOTAL PROJECT	%	REQUEST	RECOMMENDATION
A	Eastleigh CAB	£2,000	25	£500	£350
B	FO Cricket Club	£1,500	33	£500	£300
C	FO Trefoil Guild	£300	67	£200	£100
D	FO Village Hall	£1,000	100	£1,000	£450
E	Friends of FO Infant School	£1,000	100	£1,000	£300
F	Kings School Charity	£150	100	£150	£50
G	Sport in the Community	£1,000	100	£1,000	£500
H	St Francis Animal Shelter	£1,000	48	£2,100	£500
I	St Thomas Church	£1,000	52	£1,920	£850
J	Wyvern FC	£885	69	£1,285	£600

(b) That the Kings School Charity award of £50 be allocated on the basis that the plaque is situated in a prominent location visible to the public

(c) That the St Toms Church award of £850 be allocated on the specific requirement that the church can provide some assurances that this will benefit the wider community.

Action: Jo Cahill

13. TIME OFF IN LIEU POLICY (REPORT C)

The Committee considered adopting a time off in lieu policy.

RESOLVED:

That time off in lieu policy attached as Report C, be adopted with immediate effect.

Action: Jo Cahill

14. WORK PROGRAMME (REPORT D)

RESOLVED

That the Work Programme be noted

Action: Mel Stephens

15. EXCLUSION OF THE PUBLIC AND THE PRESS

16. RESOLVED:

"That, under Section 1(2) of the Public Bodies Admissions to Meetings Act 1960, the public and the Press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information which would be prejudicial to the public interest by reason of its confidential nature (staffing matters)"

17. STAFF SALARIES (REPORT E, CONFIDENTIAL)

The Committee considered the staff salary increases for 2025/2026 as well as the allocation of the £1,290 pay award to staff.

18. RECOMMENDED:

That the Council: -

(a) Approves the allocation of the 2024/25 pay award of £1,290 to all staff;

(b) Approves the new salary bandings aligning with the National Joint Council pay scales, as set out in Appendix 1 to Report E, with effect from April 2025; and

(c) Notes the annual leave allocation as follows: -

Under LC2 Grade

<5 years' service: - 23 days basic, 8 bank holidays, 2 statutory days = 33 days total
>5 years' service: - 28 days basic, 8 bank holidays, 2 statutory days = 38 days total

Over LC2 grade

<5 years' service: -26 days basic, 8 bank holidays, 2 statutory days = 36 days total
>5 years' service: - 31 days basic, 8 bank holidays, 2 statutory days = 41 days total

Action: Jo Cahill

19. STAFFNG MATTERS

The Committee considered updated staffing matters including the recent resignation of a caretaker currently working 15 hours per week and a request for another caretaker to reduce their hours from 20 to 15 hours per week.

The Clerk would look to advertise for the 15 hour a week caretaking post and had agreed to the reduction of hours for the other caretaker as it was felt that this could be absorbed with current staffing.

RESOLVED:

That the staffing update be noted.

Action: Mel Stephens

Signed …… Chairman

Dated:

Accessibility - should you need to view these minutes in an alternative format please contact: **enquires@fairoak-pc.gov.uk**

B

FINANCE COMMITTEE – 7 MARCH 2025

FINANCIAL MONITORING REPORT –FINANCIAL COMMENTARY FOR THE PERIOD 01 APRIL 2024 TO 31 MARCH 2025

1. RECOMMENDATION

1.1 It is recommended that the Committee notes the latest budget position as at 24 February 2024, set out in **Appendix 1** to this report.

2. INTRODUCTION

2.1 This report highlights the Parish Council's performance against its financial targets for the financial year 2024/25.

3. BACKGROUND

3.1. It is important that the Council manages its finances prudently. The Council undertakes a continuous review of its finances with monthly reports from the Responsible Finance Officer (RFO) on highlighting the current bank balances and BAC transfers. In addition, quarterly budget monitoring reports form an important part of the review process and support the ongoing development of the budget planning for the forthcoming financial year.

3.2. As instructed this time last year, the Deputy Clerk has continued to regularly review the utility bills (gas, electricity & water) for the Council's sites. A full review of these is set out in **Appendix 2.**

4. BUDGET 2024/25

A budget of £645,438 for 2024/25 was agreed by the Council for the 2024/25 financial year.

4.1. Income

4.1.1. The Council's income for the financial year 2024/25 at the end of February 25 is £692,844. The total budgeted income was £553,938. Significant income has been received via section 106 monies (see paragraph 4.5).

4.1.2. Table 1 below provides an overview of the income variations:

Budget	Income to date	Budget 24/25	Variance to date	Comments
Interest Received	12,349	14,000	-1,652	The interest received exceeded the budgeted amount, primarily due to favorable interest rates.
Football	3,384	4500	-4,035	March invoices yet to be invoiced
Cricket	2,600	2,600	0	On budget
Tennis	2,176	2,000	+176	Slightly exceeding budget

Budget	Income to date	Budget 24/25	Variance to date	Comments
Other	14,048	500	+13,548	Cafe solar Grant (£5,000), Monies for Lapstone Ecological mitigation (£4,000) Contribution towards cafe oven (£1,500), Cafe Grant (£4,835), Food production grant (£1,500).
Section 106	130,867	0	+130,867	EBC grant for Play Provision
PO Hire	4,730	8000	-3,270	March invoices yet to be invoiced.
WCC Hire	31,036	40000	-8,964	March invoices yet to be invoiced.
Pav Hire	500	0	-500	March invoices yet to be invoiced.
HHCC Hire	25,486	25000	+500	March invoices yet to be invoiced.
Allotments	3,548	4000	-452	Allotment income slightly less than budgeted.
Burials	7,500	6,025	-1,475	Burial income slightly less than budgeted.
Memorials	3,500	2,315	-1,185	Memorial income slightly less than budgeted
Cremations	3,000	750	-2,250	Cremation income slightly less than budgeted
Total Income	**769,651**	**645,438**	**+124,213**	

Table 1

4.1.3. The Council received £130,867 of Section 106 income for the year. This is to go towards planned/approved corporate projects.

4.1.4. Total income for the year to date is £769,651, compared to the budgeted income of £645,438. This favorable variance is largely attributed to Section 106 income. However, excluding the £130,867, the Council's income stands at £638,784, which is £6,654 below the budget. This adverse variance is primarily due to lower-than-expected revenues from the Cemetery and Halls.

4.1.5. Income for hire hall in March has not yet been received, but it is expected to improve the current variance once the payments are processed.

4.1.6. The Council has implemented a 2.5% increase in its fees and charges for the upcoming financial year, applicable to all hirers. Additionally, following a review of its cemetery fees, the Council has adjusted the charges where they were significantly lower than those of its peers.

4.2. **Expenditure**

4.2.1 Expenditure for the full operating year to the end of February 2025 stands at £650,646, resulting in an overspend of £5,208 against the full-year budget of £645,438. With one month remaining in the financial year, it is anticipated that the Council will report an overspend against the expenditure budget. The larger variances are detailed in the table

below. The detailed income and expenditure report, attached as **Appendix 1**, details the reserves spend.

4.2.2 Table 2 below provides an overview of the budget expenditure variations over £500.

Expenditure	Budget	Year to date	Variance	Comments
Sickness/holiday cover	1,500	2,542	1,042	HR process to renew contracts was not budgeted for.
Insurance	17,000	19,345	2,345	Higher insurance premium, budgeted for next year.
Legal & Professional	5,000	9,350	4,350	Surrey Hills invoices for POS's transfer and advice – awaiting £750 from EBC and £472 needs journaling to another code. This will reduce the variance to £3,128
Subscriptions	1,000	1,627	627	The Tennis LTA registration fee of £240 will be journaled against the Lapstone nominal. Additionally, there has been a price increase on the Sage payroll subscription which has been budgeted for next year
Software & support	10,900	12,052	1,152	New laptop needed to replace one that had broken
PO health & safety	3,200	4,027	827	Conserve Hygiene Solutions will refund £838 after inadvertently taking an additional direct debit in error.
Van maintenance	2,500	5,635	3,135	Additional work required on the vans following their services, including cadet repairs.
WCC business rates	8,500	10,222	1,722	Increase in rates exceeded expectation
WCC repairs	1,000	2,009	1,009	Increase in call outs and repairs, investigate and repair of leak, gutter repairs, call out and maintenance for water heaters
WCC health & safety	4,500	5,991	1,491	Music license costs and maintenance for fire equipment above budget (additional contingency in next year)
Pavilion bin emptying	1,000	2,309	1,309	Refund due from EBC for £1,560 due to invoicing incorrect site.
HHCC health & safety	3,282	5,184	1,902	Boiler maintenance work needed which was not budgeted for (£3672)
Equipment maintenance	5,000	5,602	602	Additional repairs for equipment needed, contingency added to next years budget.
Splashpad water	1,500	4,580	3,080	See appendix 2
Lapstone trees	500	2,140	1,640	Tree work required in Lapstone playing field, removal of hazardous branches
HHCC trees	500	2,745	2,245	Dead Oak and Willow felling

Table 2

4.2.3 Notable refunded monies: - HHCC electricity refund - £7,606. Southern Water - £7,710.87 for the splashpad/café site.

5. END OF YEAR BUDGET TOTALS

5.1 Budget totals as at 28 February (period 4) are: -

Total Income: £769,651
Total Expenditure: £650,646

6. ACCOUNT BALANCES

6.1 The current balances for all 3 of the Council's accounts as at 28 February are as follows:

Current Account: £105,014
Premier Account: £85,310
Public Sector Account: £225,897

7. SUMMARY

7.1 The Council's RFO, is of the view that, a balanced budget will be achieved at the end of the financial year, once income has been received through the March hire invoices and pitch hire.

7.2 The Deputy Clerk continues to review the Council's energy usage including consumption of each building and the cost to supply each with electricity and gas and on high usage sites such as the café/splashpad, water. A large refund is anticipated by the close of the financial year.

7.3 To mitigate the impact of cost increases in 2025/26, the Council has increased the budget next year by 19%. This has increased the Band D from £117.20 to £139.47

7.4 As part of the ongoing Local Government Reorganisation, the Council is closely monitoring developments and assessing potential impacts on services, budgets, and staffing.

7.5 Projects will only go forward if LAC provides the funding shortfall. Projects will not be funded through reserves. Each project will have 10% contingency fund.

7.6 Monies from Crowdhill Green maintenance is still outstanding, as the legal transfer process has been overly protracted and lengthy.

For further information:

Melanie Stephens, Parish Clerk
clerk@fairoak-pc.gov.uk

Joanna Cahill, Responsible Finance Officer
finance@fairoak-pc.gov.uk

APPENDIX 1

Fair Oak & Horton Heath Parish Council

Detailed Income & Expenditure by Budget Heading 01/02/2025

Month No: 11 **Cost Centre Report**

		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
100	Income								
1076	Precept	495,019	530,338	530,338	(0)			100.0%	
1090	Interest Received	17,431	12,349	14,000	1,652			88.2%	
1300	Football Income	3,904	466	4,500	4,035			10.3%	
1310	Cricket Income	2,500	2,600	2,600	0			100.0%	
1550	Tennis Income	1,984	2,176	2,000	(176)			108.8%	
1900	Other Income	29,551	14,048	500	(13,548)			2809.7%	
1905	Section 106 Income	68,712	130,867	0	(130,867)			0.0%	120,780
	Income :- Income	**619,100**	**692,844**	**553,938**	**(138,906)**			**125.1%**	**120,780**
	Net Income	**619,100**	**692,844**	**553,938**	**(138,906)**				
6001	less Transfer to EMR	68,712	120,780	0	(120,780)				
	Movement to/(from) Gen Reserve	**550,389**	**572,064**	**553,938**	**(18,126)**				
110	Administration								
4000	Salaries	312,378	304,898	328,534	23,636		23,636	92.8%	23,908
4010	Employer's Pension	77,734	67,584	66,000	(1,584)		(1,584)	102.4%	
4030	Sickness/Holiday Cover	1,568	2,542	1,500	(1,042)		(1,042)	169.4%	
4055	Insurance	14,852	19,345	17,000	(2,345)		(2,345)	113.8%	
4060	Audit	1,750	3,500	3,207	(293)		(293)	109.1%	
4070	Legal & Professional Fees	5,864	9,350	5,000	(4,350)		(4,350)	187.0%	
4075	Postage	130	113	100	(13)		(13)	113.3%	
4080	Stationery	412	584	500	(84)		(84)	116.7%	
4085	Printer Consumables	1,189	975	1,100	125		125	88.7%	
4090	Admin Maintenance	1,434	656	1,000	344		344	65.6%	
4095	Bank Charges	65	52	50	(2)		(2)	103.1%	
4100	Chairman's Allownace	337	149	400	251		251	37.3%	
4105	Conference/Training/Staffing	4,075	1,066	2,500	1,434		1,434	42.6%	
4110	Clothing	1,378	638	1,000	362		362	63.8%	
4120	Telephone & Broadband	2,109	4,244	5,500	1,256		1,256	77.2%	
4125	Mobile Phone	283	203	500	297		297	40.6%	
4132	Subscriptions	1,579	1,627	1,000	(627)		(627)	162.7%	
4133	Software and support	8,033	12,052	10,900	(1,152)		(1,152)	110.6%	
4134	Members IT	5,571	260	0	(260)		(260)	0.0%	
4425	Health & Safety	0	135	0	(135)		(135)	0.0%	
4435	Cleaning	0	157	0	(157)		(157)	0.0%	
4450	Equipment - Internal	55	368	0	(368)		(368)	0.0%	
4990	Sundry Expenses	551	286	500	214		214	57.1%	
	Administration :- Indirect Expenditure	**441,346**	**430,782**	**446,291**	**15,509**	**0**	**15,509**	**96.5%**	**23,908**
	Net Expenditure	**(441,346)**	**(430,782)**	**(446,291)**	**(15,509)**				
6000	plus Transfer from EMR	12,545	23,908	0	(23,908)				
	Movement to/(from) Gen Reserve	**(428,801)**	**(406,874)**	**(446,291)**	**(39,417)**				

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		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
150	Parish Office								
1200	Hiring Fees	3,528	4,730	8,000	3,270			59.1%	
	Parish Office :- Income	**3,528**	**4,730**	**8,000**	**3,270**			**59.1%**	**0**
4120	Telephone & Broadband	44	0	0	0		0	0.0%	
4395	Business Rates	17,216	17,216	17,500	285		285	98.4%	
4400	Gas	2,714	3,151	3,000	(151)		(151)	105.0%	
4405	Electricity	10,208	2,103	6,500	4,397		4,397	32.4%	
4410	Water	919	541	750	209		209	72.1%	
4415	Repairs	55	810	500	(310)		(310)	162.0%	
4425	Health & Safety	2,902	4,027	3,200	(827)		(827)	125.8%	
4435	Cleaning	1,196	1,387	800	(587)		(587)	173.3%	
4450	Equipment - Internal	404	0	500	500		500	0.0%	
4680	General Bin Emptying	1,095	84	1,000	916		916	8.4%	
4990	Sundry Expenses	125	0	100	100		100	0.0%	
	Parish Office :- Indirect Expenditure	**36,877**	**29,317**	**33,850**	**4,533**	**0**	**4,533**	**86.6%**	**0**
	Net Income over Expenditure	**(33,349)**	**(24,587)**	**(25,850)**	**(1,263)**				
210	Machinery and Van								
4300	Machinery - General Repairs	2,279	497	3,000	2,503		2,503	16.6%	
4305	Fuel	5,427	4,220	5,000	780		780	84.4%	
4310	Road Tax	640	279	700	421		421	39.9%	
4315	Maintenance - Vans	2,759	5,635	2,500	(3,135)		(3,135)	225.4%	
4320	Vehicle Insurance	5,204	3,672	4,000	328		328	91.8%	
	Machinery and Van :- Indirect Expenditure	**16,310**	**14,303**	**15,200**	**897**	**0**	**897**	**94.1%**	**0**
	Net Expenditure	**(16,310)**	**(14,303)**	**(15,200)**	**(897)**				
230	Crowdhill Community Building								
1200	Hiring Fees	27,308	31,036	40,000	8,964			77.6%	
	Crowdhill Community Building :- Income	**27,308**	**31,036**	**40,000**	**8,964**			**77.6%**	**0**
4120	Telephone & Broadband	1,190	116	700	584		584	16.6%	
4395	Business Rates	8,177	10,222	8,500	(1,722)		(1,722)	120.3%	
4400	Gas	4,864	1,596	2,500	904		904	63.8%	
4405	Electricity	8,284	5,659	3,000	(2,659)		(2,659)	188.6%	
4410	Water	300	188	350	162		162	53.7%	
4415	Repairs	814	2,009	1,000	(1,009)		(1,009)	200.9%	
4420	CCTV Maintenance	0	0	100	100		100	0.0%	
4425	Health & Safety	5,857	5,991	4,500	(1,491)		(1,491)	133.1%	
4435	Cleaning	350	754	500	(254)		(254)	150.8%	

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		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4450	Equipment - Internal	31	388	500	112		112	77.5%	
4455	Equipment - External	0	343	500	157		157	68.7%	
4680	General Bin Emptying	1,808	1,838	1,500	(338)		(338)	122.5%	
4990	Sundry Expenses	0	174	100	(74)		(74)	174.3%	
Crowdhill Community Building :- Indirect Expenditure		**31,674**	**29,277**	**23,750**	**(5,527)**	**0**	**(5,527)**	**123.3%**	**0**
	Net Income over Expenditure	**(4,366)**	**1,758**	**16,250**	**14,492**				
240	Pavilion								
1200	Hiring Fees	20	0	500	500			0.0%	
1300	Football Income	0	2,918	0	(2,918)			0.0%	
	Pavilion :- Income	**20**	**2,918**	**500**	**(2,418)**			**583.6%**	**0**
4120	Telephone & Broadband	438	235	700	465		465	33.6%	
4400	Gas	454	655	1,000	345		345	65.5%	
4405	Electricity	2,314	1,040	1,000	(40)		(40)	104.0%	
4410	Water	337	0	1,000	1,000		1,000	0.0%	
4415	Repairs	610	915	1,000	85		85	91.5%	
4420	CCTV Maintenance	0	100	100	0		0	100.0%	
4425	Health & Safety	1,694	2,175	2,500	326		326	87.0%	
4435	Cleaning	230	272	200	(72)		(72)	136.2%	
4680	General Bin Emptying	1,825	2,309	1,000	(1,309)		(1,309)	230.9%	
	Pavilion :- Indirect Expenditure	**7,902**	**7,700**	**8,500**	**800**	**0**	**800**	**90.6%**	**0**
	Net Income over Expenditure	**(7,882)**	**(4,782)**	**(8,000)**	**(3,218)**				
250	HHCC								
1200	Hiring Fees	28,116	25,486	25,000	(486)			101.9%	
	HHCC :- Income	**28,116**	**25,486**	**25,000**	**(486)**			**101.9%**	**0**
4120	Telephone & Broadband	148	682	700	18		18	97.4%	
4395	Business Rates	2,502	3,319	3,000	(319)		(319)	110.6%	
4400	Gas	(6,542)	664	1,500	836		836	44.3%	
4405	Electricity	4,645	(4,106)	3,500	7,606		7,606	(117.3%)	
4410	Water	566	294	400	106		106	73.6%	
4415	Repairs	783	360	800	440		440	45.0%	
4425	Health & Safety	1,684	5,184	3,282	(1,902)		(1,902)	158.0%	
4435	Cleaning	100	75	100	25		25	75.0%	
4450	Equipment - Internal	0	0	50	50		50	0.0%	
4595	General Maintenance	0	0	300	300		300	0.0%	
4680	General Bin Emptying	807	1,154	1,000	(154)		(154)	115.4%	
	HHCC :- Indirect Expenditure	**4,693**	**7,627**	**14,632**	**7,005**	**0**	**7,005**	**52.1%**	**0**
	Net Income over Expenditure	**23,424**	**17,859**	**10,368**	**(7,491)**				

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		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
280	Other Properties								
4480	Bus Shelters	100	100	100	0		0	100.0%	
4485	Memorial	0	0	50	50		50	0.0%	
4490	Memorial Clock	0	280	600	320		320	46.7%	
4505	Village Flowers	2,762	2,408	3,000	592		592	80.3%	
	Other Properties :- Indirect Expenditure	**2,862**	**2,788**	**3,750**	**962**	**0**	**962**	**74.3%**	**0**
	Net Expenditure	**(2,862)**	**(2,788)**	**(3,750)**	**(962)**				
290	General Grounds Maintenance								
4530	Equipment - Purchases	25,959	1,567	2,000	433		433	78.4%	
4535	Equipment - Maintenance	6,330	5,602	5,000	(602)		(602)	112.0%	
4540	Materials	4,690	3,481	4,000	519		519	87.0%	
	General Grounds Maintenance :- Indirect Expenditure	**36,979**	**10,649**	**11,000**	**351**	**0**	**351**	**96.8%**	**0**
	Net Expenditure	**(36,979)**	**(10,649)**	**(11,000)**	**(351)**				
300	Lapstone Playing Fields								
4575	Cricket (Winter)	585	939	800	(139)		(139)	117.3%	
4580	Football	581	61	800	739		739	7.7%	
4585	Tennis	667	686	300	(386)		(386)	228.7%	
4590	Pitch Maintenance	4,480	2,698	4,500	1,802		1,802	60.0%	
4595	General Maintenance	406	465	1,300	835		835	35.8%	
4600	Dog Bin Emptying	431	116	600	484		484	19.3%	
4670	Signs & Bins	0	37	50	13		13	74.0%	
4680	General Bin Emptying	77	0	500	500		500	0.0%	
	Lapstone Playing Fields :- Indirect Expenditure	**7,226**	**5,002**	**8,850**	**3,848**	**0**	**3,848**	**56.5%**	**0**
	Net Expenditure	**(7,226)**	**(5,002)**	**(8,850)**	**(3,848)**				
310	Knowle Park								
4595	General Maintenance	4,004	2,742	7,000	4,258		4,258	39.2%	
4630	Fencing	234	0	500	500		500	0.0%	
4635	Security	0	1,310	1,310	0		0	100.0%	
4640	Water Supply -White Tree Close	0	0	100	100		100	0.0%	
4645	Seating/Bins	0	530	2,000	1,470		1,470	26.5%	
4670	Signs & Bins	40	79	100	21		21	79.4%	
	Knowle Park :- Indirect Expenditure	**4,278**	**4,661**	**11,010**	**6,349**	**0**	**6,349**	**42.3%**	**0**
	Net Expenditure	**(4,278)**	**(4,661)**	**(11,010)**	**(6,349)**				

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		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
320	New Century Park								
4420	CCTV Maintenance	0	0	70	70		70	0.0%	
4425	Health & Safety	0	160	0	(160)		(160)	0.0%	
4595	General Maintenance	654	405	500	95		95	80.9%	
4680	General Bin Emptying	0	0	200	200		200	0.0%	
	New Century Park :- Indirect Expenditure	**654**	**565**	**770**	**205**	**0**	**205**	**73.3%**	**0**
	Net Expenditure	**(654)**	**(565)**	**(770)**	**(205)**				
330	Knowle Hill								
4595	General Maintenance	0	0	100	100		100	0.0%	
	Knowle Hill :- Indirect Expenditure	**0**	**0**	**100**	**100**	**0**	**100**	**0.0%**	**0**
	Net Expenditure	**0**	**0**	**(100)**	**(100)**				
360	Oak Walk								
4595	General Maintenance	0	0	100	100		100	0.0%	
	Oak Walk :- Indirect Expenditure	**0**	**0**	**100**	**100**	**0**	**100**	**0.0%**	**0**
	Net Expenditure	**0**	**0**	**(100)**	**(100)**				
370	Daisy Dip								
4595	General Maintenance	0	0	100	100		100	0.0%	
	Daisy Dip :- Indirect Expenditure	**0**	**0**	**100**	**100**	**0**	**100**	**0.0%**	**0**
	Net Expenditure	**0**	**0**	**(100)**	**(100)**				
380	Wyvern Meadow								
4595	General Maintenance	0	0	100	100		100	0.0%	
	Wyvern Meadow :- Indirect Expenditure	**0**	**0**	**100**	**100**	**0**	**100**	**0.0%**	**0**
	Net Expenditure	**0**	**0**	**(100)**	**(100)**				
400	Play Areas General								
4595	General Maintenance	722	108	600	492		492	18.0%	
4750	ROSPA Fees	0	888	600	(288)		(288)	148.0%	
	Play Areas General :- Indirect Expenditure	**722**	**996**	**1,200**	**204**	**0**	**204**	**83.0%**	**0**
	Net Expenditure	**(722)**	**(996)**	**(1,200)**	**(204)**				

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		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
410	New Century Park Play Area								
4595	General Maintenance	137	0	200	200		200	0.0%	
4993	New Century Park Playarea	343	382	500	118		118	76.3%	
New Century Park Play Area :- Indirect Expenditure		**479**	**382**	**700**	**318**	**0**	**318**	**54.5%**	**0**
	Net Expenditure	**(479)**	**(382)**	**(700)**	**(318)**				
420	Dean Road Play Area								
4595	General Maintenance	118	0	100	100		100	0.0%	
Dean Road Play Area :- Indirect Expenditure		**118**	**0**	**100**	**100**	**0**	**100**	**0.0%**	**0**
	Net Expenditure	**(118)**	**0**	**(100)**	**(100)**				
430	Meadowsweet Way Play Area								
4595	General Maintenance	41	60	500	440		440	12.0%	
Meadowsweet Way Play Area :- Indirect Expenditure		**41**	**60**	**500**	**440**	**0**	**440**	**12.0%**	**0**
	Net Expenditure	**(41)**	**(60)**	**(500)**	**(440)**				
440	Knowle Park Play Area								
4595	General Maintenance	0	419	1,500	1,081		1,081	27.9%	
4670	Signs & Bins	119	0	100	100		100	0.0%	
4675	Signs	24	0	50	50		50	0.0%	
4770	Skatepark	0	0	500	500		500	0.0%	
Knowle Park Play Area :- Indirect Expenditure		**143**	**419**	**2,150**	**1,731**	**0**	**1,731**	**19.5%**	**0**
	Net Expenditure	**(143)**	**(419)**	**(2,150)**	**(1,731)**				
450	Pembers Hill Church Yard								
4595	General Maintenance	0	0	100	100		100	0.0%	
Pembers Hill Church Yard :- Indirect Expenditure		**0**	**0**	**100**	**100**	**0**	**100**	**0.0%**	**0**
	Net Expenditure	**0**	**0**	**(100)**	**(100)**				
460	Pembers Hill Drive								
4595	General Maintenance	567	2,455	2,900	445		445	84.7%	
Pembers Hill Drive :- Indirect Expenditure		**567**	**2,455**	**2,900**	**445**	**0**	**445**	**84.7%**	**0**
	Net Expenditure	**(567)**	**(2,455)**	**(2,900)**	**(445)**				

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		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
470	Upper Barne Copse								
4595	General Maintenance	1,160	1,721	500	(1,221)		(1,221)	344.2%	494
	Upper Barne Copse :- Indirect Expenditure	**1,160**	**1,721**	**500**	**(1,221)**	**0**	**(1,221)**	**344.2%**	**494**
	Net Expenditure	**(1,160)**	**(1,721)**	**(500)**	**1,221**				
6000	plus Transfer from EMR	0	494	0	(494)				
	Movement to/(from) Gen Reserve	**(1,160)**	**(1,227)**	**(500)**	**727**				
480	Crowdhill Drive								
4595	General Maintenance	811	0	500	500		500	0.0%	
	Crowdhill Drive :- Indirect Expenditure	**811**	**0**	**500**	**500**	**0**	**500**	**0.0%**	**0**
	Net Expenditure	**(811)**	**0**	**(500)**	**(500)**				
490	Fair Oak Library								
4425	Health & Safety	290	320	500	180		180	64.0%	
4435	Cleaning	35	105	0	(105)		(105)	0.0%	
4595	General Maintenance	4,277	43	2,000	1,957		1,957	2.1%	
	Fair Oak Library :- Indirect Expenditure	**4,602**	**468**	**2,500**	**2,032**	**0**	**2,032**	**18.7%**	**0**
	Net Expenditure	**(4,602)**	**(468)**	**(2,500)**	**(2,032)**				
500	Allotments								
1500	Allotment Income	3,158	3,548	4,000	452			88.7%	
	Allotments :- Income	**3,158**	**3,548**	**4,000**	**452**			**88.7%**	**0**
4410	Water	0	24	295	271		271	8.2%	
4800	Allotments - Knowle Park	412	18	500	483		483	3.5%	
4805	Allotments - Campbell Way	0	0	50	50		50	0.0%	
4810	Allotments - Knowle Lane Ditch	573	0	500	500		500	0.0%	
4815	Allotmemts - Pest Control	0	285	400	115		115	71.3%	
4820	Allotments - Toilet	1,223	1,061	1,100	39		39	96.5%	
	Allotments :- Indirect Expenditure	**2,208**	**1,388**	**2,845**	**1,457**	**0**	**1,457**	**48.8%**	**0**
	Net Income over Expenditure	**950**	**2,160**	**1,155**	**(1,005)**				
510	Cemetery								
1520	Burials Income	9,487	6,025	7,500	1,475			80.3%	
1530	Memorials Income	2,416	2,315	3,500	1,185			66.1%	
1540	Cremation Income	362	750	3,000	2,250			25.0%	
	Cemetery :- Income	**12,265**	**9,090**	**14,000**	**4,910**			**64.9%**	**0**

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		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4410	Water	0	0	115	115		115	0.0%	
4595	General Maintenance	0	117	500	383		383	23.4%	
	Cemetery :- Indirect Expenditure	**0**	**117**	**615**	**498**	**0**	**498**	**19.0%**	**0**
	Net Income over Expenditure	**12,265**	**8,973**	**13,385**	**4,412**				
520	Community Cafe								
4595	General Maintenance	0	288	500	212		212	57.6%	
	Community Cafe :- Indirect Expenditure	**0**	**288**	**500**	**212**	**0**	**212**	**57.6%**	**0**
	Net Expenditure	**0**	**(288)**	**(500)**	**(212)**				
530	Splashpad								
4405	Electricity	0	801	2,000	1,199		1,199	40.0%	
4410	Water	0	4,580	1,500	(3,080)		(3,080)	305.4%	
4595	General Maintenance	0	239	500	261		261	47.9%	
4596	Winterization	0	1,065	1,065	0		0	100.0%	
4597	Summerization	0	2,360	2,060	(300)		(300)	114.6%	
4598	Splashpad Toilets	0	925	500	(425)		(425)	185.0%	
	Splashpad :- Indirect Expenditure	**0**	**9,970**	**7,625**	**(2,345)**	**0**	**(2,345)**	**130.8%**	**0**
	Net Expenditure	**0**	**(9,970)**	**(7,625)**	**2,345**				
540	Environmental Enhancements								
4595	General Maintenance	0	0	1,000	1,000		1,000	0.0%	
	Environmental Enhancements :- Indirect Expenditure	**0**	**0**	**1,000**	**1,000**	**0**	**1,000**	**0.0%**	**0**
	Net Expenditure	**0**	**0**	**(1,000)**	**(1,000)**				
550	Trees								
4825	Tree survey	1,800	1,650	2,000	350		350	82.5%	
4830	Trees - Lapstone Playing Field	380	2,140	500	(1,640)		(1,640)	428.0%	
4831	Trees - Knowle Park	380	540	500	(40)		(40)	108.0%	
4832	Trees - New Century Park	2,112	0	500	500		500	0.0%	
4833	Trees - Knowle Hill	600	720	500	(220)		(220)	144.0%	
4834	Trees - Lapstone Farm	0	0	500	500		500	0.0%	
4835	Trees - Oak Walk	550	520	500	(20)		(20)	104.0%	
4836	Trees - Daisy Dip	0	420	500	80		80	84.0%	
4837	Trees - Wyvern Meadow	1,269	0	500	500		500	0.0%	
4838	Trees - Fair Oak Cemetery	720	0	500	500		500	0.0%	

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		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4839	Trees-HHCC open space	1,078	2,745	500	(2,245)		(2,245)	549.0%	
4840	Trees - Crowdhill	0	0	500	500		500	0.0%	
4841	Trees - Community Orchard	0	0	1,000	1,000		1,000	0.0%	
	Trees :- Indirect Expenditure	**8,889**	**8,735**	**8,500**	**(235)**	**0**	**(235)**	**102.8%**	**0**
	Net Expenditure	**(8,889)**	**(8,735)**	**(8,500)**	**235**				
600	Other Expenses								
4850	Section 137 - Grants	4,000	3,950	4,500	550		550	87.8%	
4855	Section 137 - Street Pastors	700	700	700	0		0	100.0%	
4865	Election Expenses	0	0	500	500		500	0.0%	
4870	Youth Project	25,000	0	25,000	25,000		25,000	0.0%	
4875	Community Events Expenditure	4,357	4,171	4,500	329		329	92.7%	
	Other Expenses :- Indirect Expenditure	**34,057**	**8,821**	**35,200**	**26,379**	**0**	**26,379**	**25.1%**	**0**
	Net Expenditure	**(34,057)**	**(8,821)**	**(35,200)**	**(26,379)**				
900	Reserves Spend								
4000	Salaries	2,204	0	0	0		0	0.0%	
4882	Community cafe	427,263	2,683	0	(2,683)		(2,683)	0.0%	1,122
4888	Lapstone Farm	1,072	39,430	0	(39,430)		(39,430)	0.0%	39,430
4889	New Century Park	67,299	0	0	0		0	0.0%	
4994	New Office&Compund General	9,413	2,885	0	(2,885)		(2,885)	0.0%	283
4999	Woodland Community Centre	6,800	0	0	0		0	0.0%	
5003	Splashpad	2,268	0	0	0		0	0.0%	
5004	Village Centre	3,380	0	0	0		0	0.0%	
5005	Playarea improvements	0	255	0	(255)		(255)	0.0%	255
5006	Community Development	18,995	4,955	0	(4,955)		(4,955)	0.0%	4,955
5007	Public Art	10,540	5,300	0	(5,300)		(5,300)	0.0%	5,300
5010	Community Library Building	120,840	0	0	0		0	0.0%	
5011	Greening Campaign	1,396	0	0	0		0	0.0%	
5012	Crowdhill Green	84,240	300	0	(300)		(300)	0.0%	300
5013	Defibrillators	228	0	0	0		0	0.0%	
5016	Knowle Park	4,499	0	0	0		0	0.0%	
5019	New Playarea Provision	0	3,130	0	(3,130)		(3,130)	0.0%	3,130
5020	Solar	0	12,817	0	(12,817)		(12,817)	0.0%	
5022	Pembers - Play provision	0	400	0	(400)		(400)	0.0%	400
	Reserves Spend :- Indirect Expenditure	**760,437**	**72,155**	**0**	**(72,155)**	**0**	**(72,155)**		**55,176**
	Net Expenditure	**(760,437)**	**(72,155)**	**0**	**72,155**				
6000	plus Transfer from EMR	731,063	55,176	0	(55,176)				
	Movement to/(from) Gen Reserve	**(29,374)**	**(16,979)**	**0**	**16,979**				

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	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
Grand Totals:- Income	**693,496**	**769,651**	**645,438**	**(124,213)**			**119.2%**	
Expenditure	**1,405,036**	**650,646**	**645,438**	**(5,208)**	**0**	**(5,208)**	**100.8%**	
Net Income over Expenditure	**(711,540)**	**119,005**	**0**	**(119,005)**				
plus Transfer from EMR	**743,608**	**79,578**	0	(79,578)				
less Transfer to EMR	**68,712**	**120,780**	0	(120,780)				
Movement to/(from) Gen Reserve	**(36,644)**	**77,803**	**0**	**(77,803)**				

APPENDIX 2: UTILITY CHARGES EXPLANATORY NOTE

WATER USE VARIANCE EXPLAINED:

SPLASHPAD/FOUNTAIN CAFÉ SITE

The variance is due to a large water bill of £4140.33 received for the splashpad/cafe site from May 23 to September 24.

The water meter was deemed faulty by Southern Water in December 2024 and a new one fitted in January 2025. The Council therefore successfully challenged the most recent bill for £8,303 which was subsequently reduced upon application to £341.47.

Based on these findings the Council is challenging the previous bill, and although unlikely to receive such a hefty reduction, once Business Stream have received the latest meter reading (10 March) the Deputy Clerk will notify them to apply for an allowance on this bill which could lead to some of this bill being refunded, however, this is not guaranteed.

There will be a further reduction as the Council will invoice the Fountain Café for water used as soon as there is sufficient data (since 22 January) to compile a monthly usage average, this will be completed in the next couple of months.

In addition, the Council will challenge the wastewater bill for the site. The Council is currently paying 95% of its water usage in wastewater fees. This will take place during the splashpad season as evidence needs to be gathered demonstrating that the Council recycles the wastewater from the splashpad (via its 9,500 liter tank) through a bowser at least twice a week during the season. Once sufficient evidence of this has been gathered a ‘return to sewer allowance’ will be applied for thereby reducing the wastewater charge.

PARISH OFFICE

Upon investigation it has come to light that the Parish Office has been paying domestic rates since occupation in 2018. Southern Water have been notified and have initiated transition to commercial rates at which time the Council will transfer to Business Stream to manage. It is likely that the commercial price of water will be higher than paid historically. The same applies for Woodland Community Centre.

The mistake is Southern Water’s and not the Parish Council.

CONCLUSION:

As there is likely to be an increase in water charges and this might impact negatively on individual budget lines, however as the Council is not currently billed at the Pavilion (it being identified as a gap site) and there is a healthy budget of £6,000 at the splashpad/cafe site, the offset of charges from invoicing the Fountain Café, and a possible reduction of waste water charges as well as a possible refund, there is likely to be some additional wiggle room at the end of the financial year. This will be monitored on a quarterly basis by the Deputy Clerk and RFO.

ELECTRICITY

Electricity use continues to fall at the Parish Offices and Woodand Community Center compared to previous year without solar.

The contracts for the Pavilion and Horton Heath Community Centre expire at the end of February and the Deputy Clerk will secure cheaper providers for each. This will be reported at the meeting.

FINANCE COMMITTEE – 7 MARCH 2025

EARMARKED RESERVES REVIEW

1. RECOMMENDATION

1.1 It is recommended that the Committee notes the content of the report and confirms the earmarked reserves as set out in **Appendix 1**.

2. INTRODUCTION

2.1 This forms the Council' annual review of its earmarked reserves (EMRs) for the financial year 2024/25 and outlines the current reserve balances, their purposes, forecasted changes, and recommendations for financial planning.

3. BACKGROUND

3.1 The Parish Council undertakes an annual review of its earmarked reserves to ensure financial stability and support strategic initiatives. EMRs are allocated for future expenditure, addressing specific financial commitments and mitigating risks. The Clerk and Responsible Finance Officer continually monitor these reserves in line with budgetary planning.

4. CURRENT EARMARKED RESERVES POSITION

4.1 The earmarked reserves as of 24 February 2025 are detailed as follows:

Total EMRs: £382,507

Breakdown of EMRs by category:

Staff resource	£142,852
Play Area Replacement	£109,601
Building refurbishment	£1,021
Other	£129,033

5. FORECASTED RESERVE BALANCES

5.1 Projections for the upcoming years are as follows:

Crowdhill Green: £tbc

Pembers Hill Farm: £tbc

Other (through LGR): £unknown

5.2 With Local Government Reorganisation in Hampshire confirmed, the Bishopstoke, Fair Oak & Horton Heath Local Area Committee (LAC) has stated that any Section 106 developers' contributions from Fair Oak & Horton Heath development that could support local projects will be transferred to the Parish before Eastleigh Borough Council is disbanded (approx. 2028). The Clerk will submit funding requests for several projects for 2025/26-2026/27. This will increase the EMR amount. Project requests will include a 10% contingency as well as consultancy fees, ensuring financial risk mitigation.

5.3 The project funding requests amount to £142,848*. Details are set out in Table 1 below.

Project	Est cost	Current £	LAC £	Comments
KP Orchard Infrastructure	£ 8,885	£ 2,000	£ 6,885	£2,000 from CDO project pot, main orchard HCC funded, infrastructure to support Orchard has been derived from community design workshop
KP Bridge/pathway repair	£ 43,515	£ 15,000	£ 28,515	Bridge rotten and unsafe (has been closed to public since Nov 24), new pathway and planting also needed as well as education board.
Library Roof/Solar	£ 34,308	£ 7,000	£ 27,308	New roof to waterproof building (leak detected) and solar panels to reduce electricity costs. Due to limited space inside the library, a small secure store will be built to the back of the library to house equipment.
Water harvesting	£ 4,140	£ -	£ 4,140	Larger number of trees and plants have been planted over last 2-3 years, rather than take water from mains wish to harvest from Parish owned buildings similar to the café.
KP Play Area replacement	£106,000	£ 30,000	£ 76,000	Play area was built in 2009 and according to external evaluation, needs replacing within the next 2 years. Council has precepted for £15k in 25/26 and £15k in 26/27 budget.
NCP pathways	TBC	£ 10,000	TBC	Pathways need upgrading, not currently suitable for wheelchair users. Due to high footfall, work will be completed using external contractors rather than in-house & overseen by consultant.

Table 1

5.4 These projects will not go ahead without the necessary funds from the LAC.

6. KEY CONSIDERATIONS AND RISKS

6.1 Budget Overspend: It is essential that projects do not go overbudget as this will necessitate the need to use general reserves. To avoid this 10% contingency fund have been allocated to each project.

6.2 Adequacy of Reserves: Maintaining an appropriate level of reserves in line with best practices recommended by The Chartered Institute of Public Finance and Accountancy (CIPFA) is crucial.

6.3 Use of Grant Funding: Any earmarked grants must adhere to funding conditions to avoid financial penalties or clawbacks. This only applies currently to the Cooking Programme, Mini Forest and KP Community Orchard. The Deputy Clerk is currently seeking external funding for the Café Solar project.

7. ACCOUNT BALANCES

7.1 The current balances for all council accounts as of 25 February 2024 are as follows:

Current Account: £105,014

Premier Account: £85,310

Public Sector Account: £225,897

8. CONCLUSION

8.1 The review of earmarked reserves ensures financial stability and supports the council's ability to meet future obligations. The Finance Committee is encouraged to consider the above recommendations in its decision-making process.

For Further Information Please Contact:

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Or

Joanna Cahill, Responsible Finance Officer
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APPENDIX 1

Code	Account name	Balance	Comments
316	EMR - Community Develpment	£86,026	Funding for CDO post to include annual increments, training and I.T etc
317	EMR- Community Development	£59,106	Community projects overseen by the CDO postholder
325	EMR - Knowle Park	£15,225	Replacement play area strategy
340	EMR - Knowle Park Office	£1,021	Improvement works for building
345	EMR - Lapstone Farm	£20,843	For improvements to the cricket pavilion
350	EMR - Horton Heath CC	£2,708	building improvement (energy efficiency) at the centre
375	EMR -New Century Park	£5,500	Replacement play area strategy
386	EMR - Splashpad Playarea	£13,000	Replacement play area strategy
387	EMR - Skate Ramp	£14,000	Replacement play area strategy
388	EMR - Play Strategy	£15,500	Play provision strategy
390	EMR - HHCC Flooring	£40,250	Replacement flooring for community centre
391	EMR - New playarea Provision	£45,401	Upper Barn Copse Project
392	EMR - Meadowsweet play area	£5,500	Replacement play area strategy
393	EMR - Pembers Playarea	£5,100	Replacement play area strategy
394	EMR -Public Art	£6,122	Café/NCP public art phase 2 project
395	EMR - Onsite Maint Knowle Park	£4,851	Ditchworks
396	EMR- Woodland Play Area	£26,600	Replacement play area strategy inc tree works
398	EMR - Greening Campaign	£35	Underspend funds from project
399	EMR- Brookfield Carpark	£18,000	Improvement/extension works to Brookfield car park including new paths, bund & wildflowers
	Total	**£384,788**	

Staff resource	86,026.38
Play Area Replacement	84,925.05
Building refurbishment	64,821.73
Corporate projects	85,022.33
Other	63,992.02

FINANCE COMMITTEE – 7 MARCH 2025

INVESTMENT STRATEGY 2025/26

1. RECOMMENDATIONS

1.1 That Committee approves the Investment Strategy for the 2025/26 financial year attached at **Appendix 1**.

1.2 That Committee delegates authority to the Responsible Financial Officer to make investment decisions in line with the strategy.

2. PURPOSE

2.2 To present the Investment Strategy for the 2025/26 financial year and seek member approval.

3. INTRODUCTION

3.1 The Parish Council is required to have an approved Investment Strategy in place. This report outlines the proposed strategy for the 2025/26 financial year.

4. OVERVIEW

4.1 The Investment Strategy has been developed to ensure the prudent management of the Council's funds, with a focus on security, liquidity, and yield. It aligns with statutory guidance and best practices observed in other councils.

5. FINANCIAL IMPLICATIONS

5.1 The strategy aims to generate a return on investments while ensuring that funds are secure and available when needed.

6. CRIME AND DISORDER IMPLICATIONS

6.1 There are no direct crime and disorder implications arising from this report.

7. ENVIRONMENT/SUSTAINABILITY IMPLICATIONS

7.1 The Council will consider environmental, social, and governance factors when selecting Investment counterparties, where possible.

8. SUMMARY

8.1 The proposed Investment Strategy for 2025/26 is designed to ensure the prudent management of the Council's funds, prioritising security and liquidity while achieving a reasonable yield. Approval of this strategy will enable the Council to manage its investments effectively in the coming financial year.

For further information please contact:
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INVESTMENT STRATEGY 2025/26

1. INTRODUCTION

1.1 Statutory Guidance

This Strategy has been produced with regard to the Statutory Guidance on Local Government Investments (3rd Edition) issued by the Secretary of State for the Ministry of Housing, Communities and Local Government under Section 15(1)(a) of the Local Government Act 2003 and is effective for financial years commencing on or after 1 April 2018.

1.2 Prudence in Investment

Where a council builds up balances, these must be safeguarded by investing in an appropriate account. Investing balances by local councils should be done prudently and in accordance with the above Guidance.

1.3 Applicability of Guidance

The Guidance applies where the Council's total investments exceed or are expected to exceed £100,000 at any time during the financial year.

2. INVESTMENT OBJECTIVES

The primary objectives of the Parish Council's investment activities are:

- **Security**: Protecting the capital sum invested from loss.
- **Liquidity**: Ensuring that funds are available when needed to meet the Council's expenditure commitments.
- **Yield**: Achieving a reasonable return on investments consistent with the above priorities.

3. INVESTMENT TYPES

The Council will invest in the following types of instruments:

- **Specified Investments**: These are investments that are:
    - In sterling.
    - Have a maturity of no more than 12 months.
    - Are not defined as capital expenditure.
    - Made with a body or investment scheme of high credit quality, the UK Government, or a local authority.

Examples include bank deposit accounts and money market funds with high credit ratings.

- **Non-Specified Investments**: These are investments that do not meet the criteria of specified investments and may have higher risk. The Council does not currently intend to engage in non-specified investments.

4. RISK MANAGEMENT

To mitigate risks, the Council will:

- **Diversification**: Distribute investments across multiple counterparties to reduce exposure to any single institution.
- **Regular Policy Reviews**: Continuously assess and update investment policies in response to changing market conditions.
- **Liquidity Maintenance**: Ensure sufficient liquidity to meet foreseeable expenditure requirements.

6. USE OF MONEY MARKET FUNDS (MMFS)

The Council may utilize MMFs as part of its investment strategy. MMFs are pooled funds that invest in high credit quality, short-term debt instruments and typically offer daily liquidity. They provide diversification and are managed with objectives of capital preservation, high liquidity, and competitive returns.

7. ETHICAL CONSIDERATIONS

The Council acknowledges its responsibility to consider environmental, social, and governance factors in its investment decisions. While prioritizing security and liquidity, the Council will, where possible, avoid investments that conflict with its commitment to sustainability and ethical practices.

8. REPORTING AND REVIEW

The Responsible Financial Officer (RFO) will provide regular reports on investment performance to the Council. This strategy will be reviewed annually and updated as necessary

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FINANCE COMMITTEE – WORK PROGRAMME (2025/26)

ITEM	OBJECTIVE	METHOD	LEAD OFFICER
MARCH 2025			
Finance Monitoring Report	To receive an update from the RFO including EOY progress.	Report	Mel Stephens/Joanna Cahill
Allocation of Capital Reserves	To agree allocation of capital reserves.	Report	Mel Stephens
Investment Strategy	To review the Strategy	Report	Mel Stephens/Joanna Cahill
JULY 2025			
Finance Monitoring Report	To review the quarterly accounts	Report	Joanna Cahill
Financial Risk Assessment	To review the Financial Risk Assessment	Report	Mel Stephens
Review of VAT	To undertake the VAT review	Report	Joanna Cahill
DECEMBER 2025			
Budget 2026/27 (including Budget T&F recommendations)	To review the draft budget prior to being submitted for final approval by Full Council	Report	Mel Stephens/Joanna Cahill
Grant Applications	To review applications received during the application deadline	Report	Mel Stephens