

ABINGDON TOWN COUNCIL

Report to	FINANCE, GOVERNANCE AND ASSET MANAGEMENT
Meeting date	1 December 2025
Report author	Responsible Finance Officer
Agenda item	9

2026-27 ESTIMATES / BUDGET REPORT

1. **Purpose of the Report**

- (i) To present the projected outturn against the current year budget
- (ii) To consider fees and charges for council services for 2026-27
- (iii) To consider member allowances for 2026-27
- (iv) To consider the budget requirement for 2026-27 and funding options.

2. **Summary**

2.1 **Projected outturn 2025-26**

When the current year budget was set last year, the council resolved that this would be funded by way of a precept (council tax) of £2,064,136. Some projects (for example the play equipment upgrade) have been funded from CIL, and the property upgrades delayed, therefore savings in the revenue budget. The net impact is that not all the revenue budgets will not be required, and an unadjusted surplus of £17,952, or an adjusted surplus, to include EMR movements, of £86,660 will go back into General Reserves or into ringfenced EMR's for next year. Further details are provided in section 6.1 of this report.

2.2 **Fees and charges for 2026-27**

It is a legal requirement for fees and charges to be reviewed annually by the council. This committee is required to make a recommendation to be considered at the next council meeting held on 14 January 2026. See section 6.3 of this report.

2.3 **Members' allowances for 2026-27**

This committee is required to make a recommendation to council regarding the basic member allowance, travel and subsistence, and the mayoral allowance. See section 6.4 of this report.

2.4 **2026-27 budget requirement**

This committee is required to make a recommendation to council regarding the net expenditure estimate / proposed budget for 2026-27. See section 6.7 of this report.

2.5 **Funding of 2026-27 budget**

This committee is required to make a recommendation on how the 2026-27 net expenditure budget shall be funded, e.g. precept, use of earmarked reserves, use of general fund. See section 6.10 of this report.

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3. **Action required**

The committee is requested to.

- (i) note the year end projections for 2024-26.
- (ii) recommend to council any changes to fees and charges.
- (iii) recommend to council any changes to members' allowances for 2026-27.
- (iv) recommend to council a net expenditure budget for 2026-27, together with proposed funding arrangements.
- (v) agree the Ear Marked Reserves and movements.
- (vi) note the CIL annual declaration for 2024-25.

This will require a proposer and seconder.

4. **Link to strategic plan and objectives**

Key Objective: To manage the Council's assets efficiently and effectively to meet for the needs of the community now and in the future.

5. **Background**

The Council considers its net expenditure requirement and precept demand annually in January. Committee meetings which took place in Autumn 2025 informed members of the process. Spending committees were asked for budget bids and have received draft estimates and have made a recommendation, through this committee to the council.

6. **Key information and options**

6.1 **Projected outturn 2025-26**

I have reviewed expected spend for the remaining period of the financial year and have estimated the following outturn compared to budget:

	Budget 2025-26	Projected Outturn 2025-26	Variance
Expenditure	£2,323,760	£2,313,940	£9,820 u/spend
Income (Ex Precept)	(£259,624)	(336,464)	£76,840 surplus
Net Expenditure	£2,064,136	£1,977,476	£86,660 u/spend
Funded By:			
Precept Income	£2,064,136	£2,064,136	
Use of Gen & EMR Res	£0	£0	£0
Total Funding	£2,064,136	£1,936,996	
Difference to drop into General or EMR reserve @ YE	£0	£86,660	£86,660

6.2 **APPENDIX A** provides a full breakdown by committee and cost centre of all projections against budget. The report is annotated highlighting the main areas of variances.

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6.3 Fees and charges 2026-27

To reflect the cost of providing council services I propose the attached Fees and Charges in **APPENDIX B**. An inflationary rise of 4% has been added to the fees and charges.

6.4 Member's allowances

The members are currently awarded an allowance equal to 24% of the basic allowance of the district council. In the current year's budget, the town council allowance is £1,850.26. Based on 19 councillors, this equates to an expenditure budget of £35,155, although it should be noted that not all councillors claim this allowance.

The Vale Councillor Allowances are yet to be approved and published, therefore it is proposed that the 2026/27 allowance is increased by a 4% inflationary rise, taking into consideration the VOWH's review and increase last year.

This equates to £1,924.27 per councillor x 19 Cllr's an annual budget of £36,561.13.

6.5 Travel and subsistence

As in previous years, members can claim travel expenses for any travel incurred outside the parish for council business. Any such claims should be made to the Town Clerk. It is recommended that rates should continue to reflect the national HMRC rates.

6.6 Mayoral allowance

The current mayoral allowance is £4,500 with a local arrangement for £500 to be given to the deputy mayor. I recommend this remains at £4,500.

6.7 Proposed Budget for 2026-27

APPENDIX C provides the proposed budget for members to consider. The budget is based on existing services continuing in their current capacity, together with any new or increased initiatives agreed in the council's Forward Plan and requests from other Committee's. This report is annotated with variances and amendments.

Two reports requesting budget bids were sent to the Committee's in September/October for first round bids. In October a Final Budget Call was made to both Committee's and Officer's. The draft budgets were presented to committees in November 2025. Following those meetings the following has been included in the proposed budget.

FGAM	Property Improvements – Guildhall	5,000	Increased cost in revenue budget
FGAM	Property Improvements – Net Zero drive; GH and Depot	90,965	Increased cost in revenue budget
FGAM	Local Government Reorganisation – strategic Aim of the Town Council Yr 1	10,000	Increased cost in revenue budget
<i>E, A & I</i>	<i>Cemetery Improvements – Compost Heap</i>	<i>7,000</i>	<i>Take £3,500 from Biodiversity EMR & £3,500 from Bandstand EMR</i>

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E, A & I	Town Signage	5,000	Increased cost in revenue budget
E, A & I	Bus Shelter Maintenance – ongoing	7,000	Increased cost in revenue budget
<i>E, A & I</i>	<i>Planned Arboriculture works</i>	<i>10,000</i>	<i>Fund from Community Lead Plan EMR</i>
Comm	Town Crier – additional cost to include delivery to all new areas of Abingdon	6,000	Increased cost in revenue budget
Comm	Marketing Budget	2,000	Increased cost in revenue budget
Comm	Youth Strategy – Strategic Aim of the Town Council – Yr 1 costs – advisory panel set up	7,500	Increased cost in revenue budget
<i>Comm</i>	<i>Abbey Hall Buildings Trust</i>	<i>10,000</i>	<i>Fund from Community Fund EMR not revenue</i>
Comm	Reducing Domestic Abuse in Abingdon – DA Charter roll out	25,000	Increased cost in revenue budget
<i>Comm</i>	<i>Digital Development Project – Museum</i>	<i>20,000</i>	<i>Fund £10,000 from Computer/IT Equipment EMR & £10,000 in revenue budget</i>

6.8 The budget has been calculated using the following parameters:

- any inflationary increases limited to 4%
- anticipated national pay award of 4% across all grades, with the increase in ER's contributions.
- Savings have been made on several areas of expenditure – please refer to [APPENDIX C](#) for detail.

6.9 [APPENDIX D](#) provides a summary breakdown of the budget lines which fall directly within the responsibility of this committee. Along with an overview of the other Committee's

6.10 Based on the recommendations and suggested amendments shown in [APPENDIX C](#), the proposed budget would mean a net expenditure requirement of £1,951,496 see table below:

	AGREED Budget 2025-26	PROPOSED Budget 2026-27	Variance
Expenditure	£2,323,760	£2,466,619	£142,859 increase
Income (Ex Precept)	(£259,624)	(303,182)	£43,558 increase
Net Expenditure	£2,064,136	£2,163,437	£99,301 increase
Funded By:			
Precept Income	£2,064,136	£2,163,437	Inc in band D houses
Use of Reserves	£0	£0	
Total Funding	£2,064,136	£2,163,437	

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6.11 Earmarked and General reserves

The council holds £1,827,841.88 in earmarked reserves and a current GR of £903,118.74. A list is provided at **APPENDIX E**. Members are requested to review the list and consider / approve the movements to cover projects in the new year.

6.12 CIL monies

The council currently has £106,960.71 of CIL monies. This can be used to fund specific improvements to infrastructure. **APPENDIX F** shows CIL expenditure during 2024-25, which is declared annually to VOWHDC.

The Town Council have spent £5,000 in form of a grant to the Rugby Club for building a female changing rooms and committed £30,000 towards the Abbey Buildings Trust renovations and £25,000 to new play equipment.

6.13 Funding and Precept recommendation

The Vale have issued our Band D Tax Base for the 26-27 year, with a gain of 98 houses, this equates to a gain of £13,572 in monetary terms.

Based on the proposed budget **APPENDIX C** the effect on the precept is as follows.

	Current Year	2026/27	Gain	2025/26 Proposed	2026/27	2026/27
Precept (£)	2,064,136	2,077,708	13,572	2,163,437	2,160,816	2,202,370
Tax Base	12842.3	12,926.7		12926.7	12926.7	12926.7
No houses	15,400	15,498	98	15,498	15,498	15,498
Cost p/h	160.73	160.73		167.36	167.16	170.37
Inc p/h p/a				6.63	6.43	9.64
Percent Inc			1.55%	4.13%	4.00%	6.00%
From reserves - /+					-2,621	38,933

7. Climate change/green implications

Budgets included within the Environment and Amenities Committee draft estimates cover the council's climate emergency projects. No other implications.

8. Financial/budget implications

As per the full report and appendices

9. HR implications

The costings included in the proposed budget are based on the existing staffing structure.

10. Consultation implications

I consider that there are no matters within the report on which we should consult.

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11. **Supporting papers and appendices**

APPENDIX A: Projected outturn for 2025-26

APPENDIX B: Proposed Fees and Charges 2026-27

APPENDIX C: Proposed Budget 2026-27

APPENDIX D: Summary Budget 2026-27

APPENDIX E: Reserves and Ear Marked Reserves balances.

APPENDIX F: CIL Report 2024-25

Cherie Carruthers RFO
26 November 2025