



Halstead Town Council

2026/27 Proposed Budget and Long Term Financial Plan (LTFP) to 2028/29

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Summary

Outlook for 2026/27

The past year has seen the finances of Halstead Town Council maintain a steady, consistent and healthy pattern, although the price increases of energy, and salary awards have had an effect. In terms of finance, the council is likely to make a surplus which will allow it to transfer sums to earmarked reserves for projects in waiting, or indeed to create new projects. The ability to pay by card, phone and cash has significantly increased car park income for the year but it is unlikely to increase any further as the car parks are constantly full and the town needs another carpark.

Income for Queens Hall has continued to perform very well although there is a very slight drop in bookings. This may well relate to the rise in the cost of living, and there is little that can be done to counter it. Nevertheless regular group bookings as well as one-off events are in the diary almost every day.

The surplus is expected to be around £30k This can be added to the reserves below, or new projects, such as open spaces acquisition, may be added which will need funding.

Our Earmarked reserves are currently **£193,928.90**, but it should be remembered that this includes £20,000 which is ringfenced for expenditure on improvements at Courtaulds Sports ground. Some earmarked reserves have been spent as allocated over the past few months. This includes the building of a tarmac speedbump in Chapel Street carpark, the cost of the new van, the costs for the designs for the proposed Community Arts Centre, the purchase of a new line marking sprayer, and funds to pay our apprentice groundsman.

Capital reserves, which can be used only to purchase new items, currently stand at £11,303.90.

Halstead Town Council Current Year
Earmarked Reserves

Account	Opening Balance	Net Transfers	Closing Balance
320 EMR - Election Costs	10,244.34		10,244.34
321 EMR - Parking Orders & Signes	3,723.00		3,723.00
322 EMR - Car Parks Maj Maint	9,681.00	-1,070.00	8,611.00
324 EMR - QH Maj Maintenance	5,172.00		5,172.00
325 EMR - Empire Theatre Roof	756.00	5,000.00	5,756.00
326 EMR - Van/Tractor/Equip CP	4,000.00	3,000.00	7,000.00
327 EMR - Properties Maintenance	15,334.00		15,334.00
328 EMR - Churchyard Maj Maint	6,170.00		6,170.00
329 EMR - Community Centre	48,093.00	-4,583.40	43,509.60
330 EMR - Maj Tractor/Van Repairs	23,700.00	-3,328.33	20,371.67
331 EMR - Operation London Bridge	1,000.00		1,000.00
380 CR - Capital Reserves	12,015.80	-711.90	11,303.90
381 EMR - Happy Funds	4,100.00	-280.00	3,820.00
383 EMR - Safer Streets	8,654.67	154.83	8,809.50
384 EMR - Solar Panels	14,850.00	150.00	15,000.00
385 EMR - Apprenticeship	5,000.00	2,579.00	7,579.00
390 Courtaulds Reserves	0.00	20,524.89	20,524.89
	172,493.81	21,435.09	193,928.90

Draft Budget for 2026/27 and LTFP

Points to consider:

The budget that HTC sets for 2026/27 and the following years needs to continue to generate a surplus/ or at least to break even each year to further build reserves so that we can fund future requirements, and this year we need to bear in mind that all costs are currently rising. Salaries and the associated costs of pensions and national insurance are the biggest expense for the council and will continue to be so. Each line of income and expenditure has been examined in detail this year, in order to ensure a true reflection of the costs of running the council and its current activities.

- The proposed budget for 2026/27 has been calculated using a 3%, 5%, 7% and 10% increase to show the effect of the different rates.
- The new taxbase is not yet available so figures are based on using the current taxbase of 4550. The accurate figure will be available in December 25.
- One other possibility is also shown below, to include the approximate cost of HTC taking over management of the public gardens and parks in Halstead, which is under discussion with BDC. For HTC to manage the public spaces would be around £100k for the first year, including the purchase of equipment. Outsourcing the management of these public areas is likely to be cheaper, as the council would not need to buy equipment to carry out the work, or to store it, or to pay pension and N.I on top of salary if 2 groundsmen were employed to do this work. Quotes received for outsourcing suggest a cost of somewhere between £20k and £70k The management of these public areas by a grounds maintenance company would still add a significant sum to the precept.

increase	Council tax paid by each household as precept for Halstead	Total amount of precept	surplus/deficit
2025/6	54.29	247,051	30,000
3%	55.93	254,463	(9,582)
5%	56.93	259,043	(5,002)
7%	58.10	264,345	300
10%	59.73	271,786	7,741
10% + 100k	81.54	371,000	6,995

HTC continues to increase HTC Earmarked reserves to fund ongoing expenditure and at the same time aims to provide an increased level of facilities and services.

It is worth noting that the average Band D precept charged by local precepting bodies(including parish and town councils) for 25/26 is £92.22, an increase of 7.4% on the previous year.

It is also important to consider that the council may wish to review its activities, and the projects it supports in the community, and may come up with other activities which will need funding.

Income

● Precept and Council Tax

- The Tax Base (number of Council Tax paying households) is currently 4550 as set by BDC but the final figure for 26/27 will not be available until December 25.
- It is proposed to make a general increase in Council Tax per household of **10 %** this year to cover cost inflation.

- **Car parking charges**

- Car park charges were last raised in April 2022, along with the introduction of new ways of paying. The systems have settled down, and there is no intention to make any changes in this area. Income has gone up considerably since the introduction of the new machines and ways of paying. There is a need for a new car park.

- **Senior citizens' coach outings**

- Five coach outings took place successfully in 2025. Five outings for the year are planned for 2026 at a price of **£18.50** in 2026 (non- residents **£22.50**). This was approved by council on 13 October 2025.
- The income achieved from the outings based on the costs of the coaches will mean that all outings costs are covered by the bookings.
- In 2025 exceptionally, HTC is funding the parties for the Over 60s who have attended the outings, as they have not raised enough funds through their raffle. It may be necessary to consider raising the cost of the outings in order to be able to fund the parties. **If the cost of each outing for Halstead residents were raised by £2, this would cover the cost of the food and entertainment at the parties.**

- **Queens Hall hire charges**

- It is proposed to maintain current hourly rate charges. Although they have not been raised for some years, Queens Hall remains among the most expensive halls in the town. In addition, there are other venues in the town. Raising the charges might well encourage hirers to find somewhere cheaper.

- **Allotment charges**

- Allotment charges were increased by 50p from £4 to £4.50 per rod in 2023. It is not proposed to make any further increases.

- **Tenancies/ car parking attendance income**

- There will be no change in tenancy income as no leases are due for renewal.
- There will be a significant drop in car parking attendance income from £28,532 to £17,618, due to the ending of the agreement with the Coop to monitor Weavers' court car park, now that Tesco have moved in and intend to use ANPR from 2/12/2025.

- **Courtaulds income/expenditure**

- Now that HTC has taken over the management of the grounds, regular annual income from the clubs will be £8500
- In addition, there will be approximately £3000 from casual bookings over the year
- In addition, once the tennis courts are built and functioning, there should also be £3000 income from Tennis4U.
- Expenditure on utilities and business rates at Courtaulds for the coming year will be £7030, so will be covered by the income.
- It has to be remembered of course that a significant proportion of salary expenditure is for Courtaulds, and this is not covered by the income.

Expenditure

In reviewing expenditure, current rising energy and fuel costs have been taken into account, as these rises will make an impact on the running costs of the council. In addition, salaries, pensions and national insurance payments have become a very significant part of expenditure. A local government pay claim will once again be prepared over this autumn and winter for next year. A small amount of leeway in the budget has been allowed for this, but most of what would be owed if the pay claim is successful would have to come out of the surplus next year.

- **Salaries and wages**

- NALC and LGA have now confirmed the agreed pay scales for 2025/26 and this resulted in an increase across the board of 3.2%. This is a permanent increase to bring public sector pay in line with the current cost of living, and to replace what has been lost over the years. This pay increase has been backdated to April 2025
- This budget is based on the new salary scales and has also taken account of the rise in employers' National insurance from 13.8% to 15%.
- Due to the recent departure of our previous administrator, the project of taking on an administrative apprentice will have to be delayed for at least a year. Our current administrator works fulltime. A part-time project worker is also being considered to assist with the proposed Community Arts Centre project. The costs of such a project worker have not been included in this budget.
- costs for the streetwarden were previously paid by the Safer Streets funds, and HTC has now decided to employ the streetwarden permanently, so will fund his salary
- In addition, our horticultural apprentice has joined. There were funds in Earmarked reserves put aside for this which will cover his salary for the rest of this year, but these costs must be budgeted for in 2026/27
- The Clerk has now been asked to work a 5-day week, which has also increased the salary bill

- **Activities – This budget has been prepared before activities for 2026 have been agreed. A meeting will be held in the New Year to decide on activities for 2026.**

- The **Christmas lights** contract will be up for retendering in January 2026.
- Anne Thrussell has once again offered to organise Summer Fun in 2026 at Freedom Leisure, so the budget has been reduced slightly to match this year's costs.
- The budget for the bands has been retained at £4000 to allow for the possibility of more events and possibly another performance from the Beavers

- **Administration**

Energy costs appear to have settled down, though still at a high level. This budget does not at present allow for a retainer HR service. If the Council tax were raised by £5.50 per Band D household, this would cover the cost of the retainer HR service if councillors wished to go down that route.

- **S137 Grants**

It is proposed that grants should remain at £5000 for the 26/27year.

- **Courtaulds./Environment**

As costs of agricultural maintenance are rising, so the budget for this has been increased.

After much discussion at the budget seminar, the scenario shown below was put forward

7. On 8.54%% increase in council tax (after taxbase known)

	25/26	26/27	27/28
Precept	25/26	269,262	282,750
Tax base	247,051	4569.96 (confirmed 8/12/25)	4569.96 (will be higher but unknown as yet)
Council tax	54.29	58.92	62.14
Other income	212,548	228,257	227,358
Total income	459,599	497,519	510,108
Expenditure salaries	261,000	297,000	309,000
Other expenditure	188,451	195,802	195,503
Total expenditure	449,451	492,802	505,003
Surplus	10,148	4,717	5,605

Bank reconciliation end September 2025

Closing Balance 493,293.67

All Cash & Bank Accounts

Barclays Bank A/c 173,922.85

Lloyds Bank A/c 149,032.23

Halstead Clerk A/c 515.23

CCLA Deposit A/c 94,005.47

Nationwide Bond 35,000.00

Holding Account 171.50

Cash in Hand 200.00

Unity Trust Bank 40,446.39

Total Cash & Bank Balances 493,293.67

Recommendation:

1. that HTC agrees to increase Band D council tax by £4.63 to £58.92. This would bring the total precept for 26/27 to £269,262, resulting in a very small surplus of £4717. This is a prudent decision in view of the uncertainties arising from devolution, and rising costs.

Sarah Greatorex

Sarah Greatorex Town Clerk