



Morton-On-Swale

Parish Council

RFO Report to Parish Council Meeting on 24th September 2025

The following reports are being distributed and scheduled as attachments to the agenda for consideration/approval at the Parish Council Meeting on 24th September 2025.

1. 2025/26 Routine Finance Schedules

- (a) Bank Reconciliation Report
- (b) Income Transactions & Expenditure Transactions Reports
- (c) Accounts Summary and Budgetary Performance

(a) Bank Reconciliation Report

The total of funds held in the Current and Business Money Manager (Savings) Accounts amounts to £19,190.21, a reduction of £1,460.80 since the July meeting. Of this, £546.58 is presently “reserved” for The Friends of Morton-on-Swale, being the net surplus raised from events held during 2024/5. The total also includes £2,100 brought forward from 2024/25 which was unspent from that year’s Play Park Maintenance expenditure budget.

The top green-highlighted section of the report contains details of anticipated receipts and routine outgoings during the next 2-month period, October-November 2025. The second tranche of the Parish Precept (£6,500) is expected by the end of September. All the expenditure items listed here, including the staff remuneration figures, were previously included on the Schedule of Routine Expenditure which was received and pre-approved by Council at the January 2025 Council Meeting. As such, and provided also that the invoiced amounts do not exceed the amounts shown here, payment authorisation will be required from only two signatories to the bank mandate, in accordance with Financial Regulations.

The costs of the currently identified Play Park work are shown in the middle section of the Bank Reconciliation Report which is highlighted in orange. Taking into account a suggested CIL contribution of £424.89 (this being the amount that still remains from CIL grants received more than 5 years ago), and the agreed credit from Caledonia Play for the missed quarterly inspection, this would leave £2,869.22 (nett of VAT) to be met from general reserves. After then also taking into account the sum of £2,100 brought forward from 2024/25, this leaves just £769.22 to be met out of the 2025/26 budget provision of £2,200 for Play Park Servicing & Maintenance. Note that the latter does not cover such items as hedge cutting and weed control etc (£500 budgeted), and tree safety inspection (estimated cost £200), for which there are separate budget provisions. The new unspent CIL Funding balance would reduce to £9,664.20 if the contribution towards this work is £424.89 as suggested above.

This schedule is now currently predicting an end-of-year reserve of just over £7,800, which represents an improvement of around £1,800 on the figure reported in July. However, this is based on an assumption that, once the above Play Park repair work has been carried out, there will be no further Play Park Servicing and Maintenance costs during the remainder of the current financial year to the end of March 2026 – resulting in a saving of approximately £1,430 on the annual budget provision for this item of £2,200. There have also been some savings in grass cutting costs (July), bank account management fees and office expenses. £159.46 presently remains unspent of this year’s contingency allowance, which may or may not be required, and if not then the end of year reserve could potentially be higher still.

The current estimate of expenditure during the final four months of the financial year (December 2025-March 2026), is £3,570, which includes the costs of a tree safety inspection, as well as hedge cutting, weed control and mole control.

(b) Income & Expenditure Transaction Details Reports

The only receipt during the period was bank interest of £78.73.

Total routine expenditure for the period was £1,539.53 (including £210.31 recoverable VAT). Walker's have only invoiced for 1 grass cutting sessions in July instead of the usual 2. This is presumably due to the abnormally dry weather conditions during this period. The only exceptional item has been the purchase of a replacement battery for the community defibrillator, for which no explicit budget provision had been made. Payment for this has for the time being been made from the contingency allowance, which nevertheless remains underspent by £159.46 to date. However, the possibility of using some of the CIL balance for this item instead is to be investigated.

The staff remuneration total includes backpay for the period April-July 2025 as previously advised and is in line with (actually slightly lower than) budget expectations.

(c) Accounts Summary (including budgetary performance report)

All income and expenditure to date is in line with budget expectations and there are no exceptional items to report.

2. Recommended Expenditure Budget and Precept Calculations for 2026/27 (1st Draft)

The first draft of the expenditure budget for 2026/27 is submitted for consideration, allowing time for questions and thoughts from Council before the budget is finalised in time for the November meeting, at which the Precept for next year will need to be approved by Council.

Although the new budget schedule inevitably includes some inflationary increases, as well as a couple of new items (£70 for new defibrillator pads, given that the existing ones will be expiring next year, and £130 for additional official email accounts for use by Councillors as recommended to ensure compliance with new guidance on digital and data policies), these are more than offset by changes elsewhere in the budget – principally a saving of £96 for Bank Account Service Charges and a reduction of £166 in the contingency allowance based on more recent experience with budgeting accuracy in other areas. In addition I am suggesting that the budget for Play Park Servicing & Maintenance can safely be reduced from this year's £2,200 to £1,500.

If this draft remains unchanged, this budget would indicate an annual Precept requirement of £12,650 – a reduction of £350 from the 2025/26 Precept – the first reduction in more than 10 years.

Report prepared 16th September 2025 by R M Dale (RFO)