Key Considerations for the 2026/27 Budget

1. Staff Costs

- **Pay Awards & Salary Increments**: Anticipate increases in staff salaries due to pay awards and incremental salary steps.
- **Pension Contributions**: Account for potential rises in pension scheme contributions.
- **National Insurance**: Consider any changes in National Insurance rates or thresholds.

2. Inflation

- **General Inflation**: Factor in general inflation rates affecting goods and services.
- **Specific Service Costs**: Identify areas where inflation may impact specific service costs more significantly.

3. Service Demand

- **Increased Demand**: Assess if there's a growing demand for existing services or new services.
- **Community Expectations**: Consider any changes in community expectations that may require additional funding.

4. Capital Expenditure

- **Asset Management**: Plan for any necessary capital investments or asset replacements.
- **Grant Availability**: Explore potential grants or funding opportunities for capital projects.

5. Revenue Generation

- **Precept**: Evaluate the adequacy of the current precept and consider adjustments if necessary.
- **Additional Income**: Identify opportunities for generating additional income through services or events.

📜 **Proposed Budget Development Approach**

Step 1: Review 2025/26 Budget

- Analyze the current year's budget to identify areas of overspend or underspend.
- Assess the effectiveness of current spending and identify areas for potential savings.

Step 2: Forecast 2026/27 Expenditure

- Apply anticipated increases in staff costs, inflation, and service demand to estimate next year's expenditure.
- Consider any known commitments or contractual obligations that will impact costs.

Step 3: Estimate Revenue

- Project income from the precept, services, and other sources.
- Consider the impact of any changes in revenue streams or funding sources.

Step 4: Balance Budget

- Ensure that projected revenue matches or exceeds estimated expenditure.
- Identify any funding gaps and consider options to address them, such as adjusting the precept or identifying cost savings.

Draft Budget attached as EXCEL file