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5 November 2025

A **MEETING** of the **FINANCE KEY AREA GROUP** will be held in the Town Council Chamber on **Monday 10 November 2025 at 18.30 hours**, when your attendance is required.

Julie Holden  
Chief Executive Officer

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## A G E N D A

1. OPEN FORUM

Members of the Public are permitted to speak in accordance with [standing order 3.8](#).

2. APOLOGIES FOR ABSENCE – None received

3. SUBSTITUTES – None notified

4. DECLARATIONS OF INTEREST - In respect of any matter on the agenda.

5. CHAIRMAN'S ANNOUNCEMENTS

- i. A full listing of payments made, including those via the town council's business card, are displayed on the council's website on a quarterly basis and can be reviewed accordingly. Members can request a PDF copy should they so wish.
- ii. The current Responsible Finance Officer will be retiring at the end of November 2025. The new Head of Finance, David Hood, is welcomed to the town council.

6. NOTES OF PREVIOUS MEETING - To consider the Notes of the Meeting of the Finance Key Area Group held on 23 June 2025 (attached).

7. EXTERNAL AUDIT – 2024/25

8. BUDGET MONITORING REPORT 2025/26

9. PRICING FOR GOODS AND SERVICES OFFERED BY THE TOWN COUNCIL FOR 2026.27

10. 1<sup>ST</sup> DRAFT REVENUE BUDGET 2026/27

11. RESERVES AS AT 31 OCTOBER 2025

12. BANK RECONCILIATION AND INVESTMENTS

13. DATE OF NEXT MEETING - January 2026, date to be confirmed

Members of the Finance Key Area Group: Graham Fairbairn (Responsible Finance Officer - RFO), Bob Foster, Matthew Goldsmith, Janice Henwood, Simon Hicks, Cedric De Souza (Chairman), Adam White

## 7. **EXTERNAL AUDIT – 2024/25**

7.1 The external auditors have now completed their limited assurance review for the 2024/25 financial year and have certified the accounts accordingly (attached at appendix 1). The RFO is pleased to announce there are no items of a material nature that need to be brought to the attention of Members.

## 7.2 **RECOMMENDATION**

To note the contents of the report.

### **Risk Implications**

Financial– None

Environmental – None

Community safety - None

## 8. **BUDGET MONITORING REPORT 2025/26**

8.1 The purpose of this report is for the RFO to update Members with the latest forecast Outturn for the 2025/26 financial year.

8.2 In summary, the financial year end forecast, as compiled at 31 October 2025, shows an estimated surplus of just over £23k. This is made up of an increase in income of £2.5k, and a decrease in expenditure costs of just under £21k.

8.3 A detailed variance analysis is at agenda item 8.5 with a full budget monitoring report attached at appendix 2.

## 8.4 **Summary Monitoring Report**

<b>CONSOLIDATED SUMMARY</b>	<b>ESTIMATED OUTTURN 2025/26</b>		
	Budget 2025/26	Forecast 2025/26	Variance On Budget
<b>INCOME</b>			
Civic, Corporate, Promotion and staff	£24,423	£24,423	£0
Community Engagement	£750	£1,557	£807
Operational Services	£32,867	£33,367	£500
Customer Services	£8,143	£8,464	£321
Finance and Administration	£75,358	£76,261	£903
<b>TOTAL INCOME</b>	<b>£141,540</b>	<b>£144,072</b>	<b>£2,531</b>
<b>EXPENDITURE</b>			
Civic, Corporate (Exclds CommBuild Fund)	£867,095	£862,467	-£4,628
Community Engagement	£79,250	£76,754	-£2,496
Operational Services	£188,614	£193,602	£4,988
Customer Services	£2,200	£1,750	-£450
Finance and Administration	£155,686	£137,491	-£18,195
<b>TOTAL BASE EXPENDITURE (Exclcd Comm Build Reserve)</b>	<b>£1,292,846</b>	<b>£1,272,065</b>	<b>-£20,782</b>
Community Buildings Reserve (transfers to/from)	£47,000	£47,000	£0
<b>PRECEPT/NET BUDGETED EXPENDITURE</b>	<b>£1,198,306</b>	<b>£1,174,992</b>	<b>£23,314</b>
<b>Surplus / (-deficit)</b>	<b>£0</b>	<b>£23,314</b>	

## 8.5 Variance Analysis – major movements

<b>VARIANCE ANALYSIS 2025/26 +/- £1000</b>				
<b>NET BUDGETED EXPENDITURE</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>	
	<b>£1,198,306</b>	<b>£1,174,992</b>	<b>£23,314</b>	<b>Surplus</b>
<b>Made up of:</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>	<b>COMMENTS</b>
<b>INCOME</b>			<b>£0</b>	
Interest on balances	£25,858	£32,761	£6,903	Relatively high interest rates / high level of funds on deposit
Burial Ground Income	£36,000	£30,000	-£6,000	Burial activity has slowed
Balance on all other budget items	£79,683	£81,311	£1,628	
<b>Total Movement on Income</b>	<b>£141,540</b>	<b>£144,072</b>	<b>£2,531</b>	<b>INCREASE in income</b>
<b>EXPENDITURE</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>	
About Town	£19,895	£17,899	-£1,996	Credit for over £2k received from Royal Mail for poor performance
Burial Ground	£12,600	£10,000	-£2,600	Drop-off in activity
Burial Ground Loan (phase 2) repayment	£22,000	£8,940	-£13,060	Loan being drawn down later
Council Van	£9,766	£12,441	£2,675	Addl Hire vehicle and repairs to berlingo
Maintenance Contracts - internal	£4,463	£6,477	£2,015	LOLER test, AirconTM44Inspection/legionella fail
96 CW flat roof repairs	£0	£5,000	£5,000	NEW: Set-aside funds over 3 years towards flat roof replacement
Play equipment reserve fund-Folders meadow	£5,000	£7,000	£2,000	Folders Meadow play area resurfacing
Salaries	£849,745	£844,232	-£5,513	Annual payrise less than budgeted, staff movements
Site Improvements	£13,000	£11,000	-£2,000	Full budget not required
Bolney & Storage	£44,000	£40,379	-£3,621	3 month delay in occupation
Utilities	£9,804	£8,269	-£1,536	New energy contracts at substantially lower prices, milder winters
Balance of all other budget items	£302,573	£300,428	-£2,145	
<b>MOVEMENT ON BASE EXPENDITURE</b>	<b>£1,292,846</b>	<b>£1,272,065</b>	<b>-£20,781</b>	<b>DECREASE in expenditure</b>
<b>NET MOVEMENT ON PRECEPT</b>			<b>£23,314</b>	<b>ESTIMATED YEAR END SURPLUS</b>

## 8.6 Disposition of Surplus

Consideration of the Disposition of the Surplus will be discussed at agenda item 10.6.

## 8.7 RECOMMENDATION

Members are recommended to note the contents of the report.

### Risk Implications

Financial – Forecast includes £22k of burial income and £15k Partner Income yet to be realised.

Environmental – None

Community safety – None

## 9. PRICING FOR GOODS AND SERVICES OFFERED BY THE TOWN COUNCIL FOR 2026.27

9.1 Traditionally, the town council has raised its prices for goods and services relatively in-line with inflation and with the current CPI rate at 3.8% and short-term forecasts not seeing any meaningful improvement, the recommendation is to raise the council's prices by 4%.

9.2 Should the forecast inflation rate move materially in either direction between now and the end of February 2026, the council's rate of increase will be adjusted accordingly.

9.3 A sample of charges is shown below on the services currently provided by the town council:-

	<b>Current Charge</b>	<b>Proposed Increases for 2026/27 @4.0%</b>	<b>Notes</b>
<b>Allotment plots</b>	Ranges from: 2.5 rod (63sq mtrs) £35.70 to 5 rods (126sq mtrs) £56.10	£37.15 to £58.35	Discounts of around 30% available for aged 65 and over.
<b>Burial Ground</b>	Core charges  Coffin Burial Exclusive Rights £769 Interment Fees (single) £684 Interment Fees (double) £747  Cremated Remains Exclusive Rights £335 Interment Fees £180 (single)	£800 £711 £777  £348 £187	5 times increase on purchase price and interment charges for people outside of Burgess Hill.  <i>Concessions may be given in regard to Burgess Hill residents who have moved out of the area for care reasons.</i>
<b>About Town advertising</b>	Burgess Hill Rates £95.00 to £460 (dependent on advert size)	£99 to £478	These are "card" rates and are negotiable.
<b>Room lettings</b>	Charges vary from £FOC to £42.00/hr depending on organisation, room type, catering, accessories etc.	£44/hr	Catering, accessories etc charged separately

#### 9.4 RECOMMENDATION

To increase charges levied by the town council for its good and services by 4% or forecast inflation as noted at the end of February 2026 which-ever is the higher, and for these increases to take effect on 1 April 2026.

#### RISKS

Environmental – none

Financial – Should the inflation rate be materially higher than 4%, the council will need to adjust charges accordingly.

Community Safety – none

### 10. 1st DRAFT REVENUE BUDGET 2026/27

10.1 The purpose of this report is to give Members a first view of the financial pressures facing the town council for 2026/27 financial year. **This is a discussion document for Members to consider and give guidance towards formulating the final Budget to be presented in January 2026.**

#### 10.2 Assumptions

- A 1.25% increase has been allowed in the movement of the Tax Base (prior years 23/24 1.84%, 24/25 1.69%, 25/26 1.25%)
- Inflation, where appropriate, is set at 4%.
- Salary Cost of Living rise of 3.5% has been included, however, this will be subject to the National Local Government Services Pay Agreement for 2026 (yet to be confirmed).

10.3 **In Summary**, 1<sup>st</sup> draft - the overall Precept will rise by circa £133K giving a potential Band D rate of £101.18, an increase of £8.99 on the prior year (9.8%). This equates to an increase of 75p per month.

#### 10.4 CONSOLIDATED SUMMARY

	Budget 2025/26	Budget 2026/27	Variance on Prior Year Budget
<b>INCOME</b>			
Civic, Corporate, Promotion and staff	£24,423	£24,423	£0
Community Engagement	£750	£16,050	£15,300
Operational Services	£32,867	£33,617	£750
Customer Services	£8,143	£7,059	-£1,084
Finance and Administration	£75,358	£72,500	-£2,858
<b>TOTAL INCOME</b>	<b>£141,540</b>	<b>£153,649</b>	<b>£12,109</b>
<b>EXPENDITURE</b>			
Civic, Corporate (Exclds CommBuild Fund)	£867,095	£963,620	£96,525
Community Engagement	£79,250	£116,181	£36,930
Operational Services	£188,614	£203,577	£14,963
Customer Services	£2,200	£2,650	£450
Finance and Administration	£155,686	£152,285	-£3,401
<b>TOTAL BASE EXPENDITURE (Exclcd Comm Build Reserve)</b>	<b>£1,292,846</b>	<b>£1,438,313</b>	<b>£145,467</b>
Community Buildings Reserve (transfers to/from)	£47,000	£47,000	£0
<b>PRECEPT/NET BUDGETED EXPENDITURE</b>	<b>£1,198,306</b>	<b>£1,331,664</b>	<b>£133,358</b>
Tax Base	12998.3	13160.8	162.5 1.25%
Band D Rate	£92.19	£101.18	£8.99
Percentage Increase			9.8%

10.5 Notes to the above:

***A more detailed variance analysis is shown at 10.8 with the full budget report at appendix 3.***

**Income** – The improvement in income relates, in the main, to potential income from the proposed 2026 Christmas Market of £15k against a reduction in income of £6k from the burial ground.

*The above Christmas Market income is based on expected income for the 2025 event and is not guaranteed and should be considered a Risk. In addition, the total income shown includes £24k from MSDC towards supporting the Help Point and £15k from WSCC towards roundabout maintenance. Although no indication has been given by partner organisations these arrangements will not continue, they should be considered a Risk*

**Expenditure** – Expenditure is expected to increase by £145k with the largest movers as follows:

**Variance**

£26k Christmas Town Centre Market. Gross cost includes chalet hire (to be off-set against estimated income of £15k).

£10k Funds towards town projects/events during town redevelopment period.

£88k Salary costs made up of:

£36k Movement in Staff (new Community Engagement officer £30k, Maintenance operative (in-part) £7k)

£24k Cost of Living Pay award (budgeted at 3.5%, subject to National Pay Award agreement)

£ 8k Contractual increments

£11k Pension

£ 9k National Insurance (the government changes to employer NI contributions in April 2025 have added an additional £20k to the budget)

**£88k**

£ 9k Town Events – to deliver events as detailed in the Comm Eng KAG 23/10/25

£12k Other misc movements.

£145k

10.6 As noted in agenda item 8.2, there is an estimated surplus of £23k.

As Members have been informed previously, the works required for the Batchelors Farm Bridge will be in the region of £26k, and in preparing the expenditure budget for 2026/27, £16k has been set-aside from the 2025/26 surplus towards these bridge works (this is in addition to the £10k previously set-aside from the General Reserve).

The purpose of setting-aside these monies from the 2025/26 surplus is to decrease the pressure on the 2026/27 Precept.

10.7 The 1<sup>st</sup> Draft Budget includes, also, the release of £6k from unrequired Earmarked Reserves relating to the *Batchelors Farm Orchard Fund* £1.5k (no longer required) and *Inclusivity Initiatives Fund* £4.5k (has not been used for a number of years)

A detailed variance analysis is shown at 10.8

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## 10.8 Detailed variance analysis:

<b>BUDGET 2026/27 - VARIANCE ANALYSIS +/- £1,000</b>				
	<b>Tax Base</b>		<b>PRECEPT</b>	<b>BAND D</b>
2026/27	13,160.78		£1,331,664	£101.18
2025/26	12,998.30		<u>£1,198,306</u>	<u>£92.19</u>
<b>Increase in Precept</b>	162.48		<u>£133,358</u>	<u>£8.99</u>
	1.2%		<u>11.1%</u>	<u>9.8%</u>
<b>MADE UP OF:</b>	<i>Budget</i>	<i>Budget</i>	<b>Movement</b>	
	<b>2026/27</b>	<b>2025/26</b>	<b>on prior</b>	
			<b>year</b>	
<b>Income Movements</b>				
Burial Ground income	£30,000	£36,000	-£6,000	Flattening-off in activity
Christmas Town Centre Market	£15,000	£0	£15,000	Sponsors and rental
Interest on Balances	£27,000	£25,858	£1,142	Depends on capital programme expenditure
Management charge SW & CIC	£15,500	£13,500	£2,000	To more accurately represent time from BHTC
Balance of movements on all other budget items	£66,149	£66,183	-£34	Net decrease in other income
<b>Total Income</b>	<b>£153,649</b>	<b>£141,540</b>	<b>£12,109</b>	<b>Decrease in Income</b>
<b>Expenditure Movements</b>				
Burial ground	£10,500	£12,600	-£2,100	Flattening-off in activity
Christmas Town Centre Market	£26,635	£0	£26,635	New event including chalet hire
Economic Development (Bridge the Gap fund 3072 )	£11,000	£1,000	£10,000	Funds towards town projects/events during town redevelopment period
Election Fund contribution 3003	£14,000	£12,000	£2,000	Towards higher election costs
Maintenance - external contractors	£24,032	£22,888	£1,144	Inflationary increase
Maintenance Contracts - internal	£6,551	£4,463	£2,088	Additional requirements + inflationary increase
Mobile Maint -new equipment	£3,425	£1,750	£1,675	Includes new push mower
Repairs & Renewals Fund contribution	£5,000	£0	£5,000	Top-up fund towards flat roof repairs (£15k over 3 years)
Salaries / Oncosts	£937,520	£849,745	£87,775	COL rise, contractual increments, NI increases, Movement in staff
Technology fund	£13,118	£10,000	£3,118	Server upgrade, ongoing PC upgrades, windows 11
Town Events	£25,750	£16,700	£9,050	To delivery activity as detailed at Comm Eng KAG
Tree Surgery Fund Contribution (3065)	£5,000	£1,000	£4,000	Build-up fund to cover ongoing tree works
Youth Council Fund (3079)	£0	£1,000	-£1,000	Sufficient monies in Earmarked Reserve 3079
Utilities - 96 Church Walk	£7,809	£9,804	-£1,996	New contracts with energy suppliers reflecting lower costs
Release unrequired Earmarked Reserves	-£5,996	£0	-£5,996	Relates to EarMarked Reserves
Balance of movements on all other budget items	£353,968	£349,895	£4,074	Net increase in other items
<b>Base Budget Costs</b>	<b>£1,438,313</b>	<b>£1,292,846</b>	<b>£145,467</b>	<b>Increase in base costs</b>
<b>Precept (Net Budget Expenditure)</b>	<b>£1,331,664</b>	<b>£1,198,306</b>	<b>£133,358</b>	<b>Net increase in Precept</b>

## 10.9 RECOMMENDATION

This is the first draft budget and the views of Members are sought, however, approval for specific allocations from the current year's surplus, should they be required, are being sought, namely, Batchelors Farm Bridge £16k.

### Risk Implications

#### Financial:

1. The budget includes Partner income of £39k (Help Point/Roundabouts). Confirmation is being sought from Partners these contracts will continue.
2. Income from the Christmas Market is estimated at £15k, any material movement downward will impact on the Revenue Budget.
3. The Salary Cost of Living Rise has been set at 3.5%. This is subject to the yet to be agreed 2026/27 National agreement and any material increase will impact on the Revenue Budget.
4. Any material downward movement in the 2025/26 surplus will impact on the 2026/27 Budget relating to specific amounts set-aside.

Environmental – None, Community safety - None

## 11 RESERVES AS AT 31 OCTOBER 2025

- 11.1 The purpose of this report is to update Members with regard to the status of the Town Council's Earmarked Reserves.
- 11.2 In Summary, the town council has, as at 31 October 2025, £538k in Earmarked Reserves and £234k in the General Reserve. A full listing of all the Earmarked Reserves is attached at appendix 4.
- 11.3 The Budget for 2026/27 shows a proposal to transfer an additional £143k to Earmarked Reserves. This is detailed on the Earmarked Reserves Schedule.
- 11.4 A number of requests have been received from KAG's and/or have come to the attention of officers for expenditure for the 2026/27 Financial Year. For clarification, these items have been included in the 2026/27 Budget as detailed at agenda item 10.

<b>Fund Name</b>	<b>Value</b>	<b>Comment / Proposed</b>
<b><u>Unrequired</u></b>		
Batchelors Farm Orchard	£1.5k	Unrequired - Release against 2026/27 Budget
Inclusivity Initiatives	£5.0k	Not being used - Release against 2026/27 Budget
<b>Total Unrequired</b>	<b>£6.5k</b>	<b>Release back to 2026/27 Budget</b>
<b><u>New / Enhanced</u></b>		
Folders Meadow Repair /Replacement Fund	£5.0k	Play equipment / surfaces deteriorating - New ongoing fund towards repair and replacement
Tree Surgery Fund	£5.0k	New ongoing fund to counter continued tree issues
Bridge The Gap/Projects	£10.0k	Funds towards town projects/events during town redevelopment period
Repairs & Renewals	£5.0k	Additional £5k towards 96CW flat roof replacement. 3 year time scale
Town Events Fund	£26.0k	To fund the 2026/27 Events programme as presented to the Comm Engagement KAG. Includes additional £2k (Weald Club) estimated £5k surplus from 2025/26 year.
<b>Total New / Enhanced</b>	<b>£51.0k</b>	<b>Included in 2026/27 Budget</b>

## RECOMMENDATION

- a. Members are recommended to review the attached schedule and raise queries accordingly, and
- b. Approve the current Schedule.

**Risk implications** – none.

Environmental – none  
Financial - none  
Community Safety – none

## 12. BANK RECONCILIATION AND INVESTMENT

12.1 The purpose of this report is to periodically provide a bank reconciliation to Members for review and is attached at appendix 5.

For Members' information, the following balances, as at 05/11/2025, are shown on the accounting system:

£	10,444	Current account
£	813,480	NatWest Sweep Saving's account*
£	610,512	Santander time deposits
£	1,434,436	Total

\*New £400k time deposit being arranged

### 12.2 Debtors and Creditors

Debtors £1,465 no issues  
VAT (owed to BHTC) £6,180  
Inter Balance with CIC £4,216

Creditors (short term) £49,197  
Long-Term borrowing £198,000 (ex-RBL building)  
Inter Balance with Sidney West Charity £55,753  
PAYE/NI/Pension (Oct 25 liability) £28,764

### **RECOMMENDATION**

- a) To note the contents of the report, and
- b) For the Vice-Chairman of the Finance KAG to sign the bank reconciliation  
*(this relates to a recommendation from the NALC model of Financial Regulations)*

### **Risk Implications**

Environmental – none  
Financial - none  
Community Safety – none

13. DATE OF NEXT MEETING : January 2026, exact date and time to be confirmed