



Item 19

Council - 11 June 2026

Budget Monitoring 2026-2027

1. **Introduction**

2. In accordance with the Local Government Finance Act 1992, the Community Council must agree a budget and set the precept for the following financial year. The Community Council must agree both at its meeting scheduled for January.

3. In preparation of that process, it is good governance to ensure regular Budget Monitoring. A Draft Budget will also be considered in November / December.

4. **Bank Balance**

5. As of 31 May, the Council holds the following Bank balances:

Account	Balance 31 May 2025	Balance 31 May 2026
Current Account	£1,656.24	£706.73
Reserve Account	£36,488.29	£24,212.11
Total	£38,144.53	£24,918.84

6. **Budget Monitoring**

7. **Appendix 19.1** provides the Financial Budget Comparison (At 31 May 2026).

8. **Reserves**

9. The Governance & Accountability for Local Councils in Wales - A Practitioners Guide states:

- “i) Local Councils hold reserves and balances for a variety of reasons. These include financing unforeseen expenditure and ‘saving’ for future projects. These reserves are represented by the closing figure for the balances of the council after all of its transactions have been accounted for and is shown in Cell 7 in the accounting statements.*
- ii) Local Councils have no statutory powers to hold revenue reserves other than for reasonable working capital needs or for specifically earmarked purposes. Councils should therefore maintain records of its general and earmarked reserves.*
- iii) Earmarked reserves may be established to hold funds for specified purposes. Councils should maintain separate records of each earmarked reserve. Examples of such reserves include:*

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- *Funds set aside to fund specific future projects;*
 - *Monies drawn down from loans that has yet to be spent on the related project; and*
 - *Capital receipts.*
- iv) *Where funds are held for non-specified purposes, councils should maintain separate records of each reserve to demonstrate where the money comes from and how it has been applied.”*
10. The Community Council actively works to maintain a reasonable level of reserves but also ensuring that the monies are being used to improve the wellbeing of the Community.
 11. The Council is active and sets out its ambitious in the Council Action Plan. The Action Plan sets out its targets.
 12. **Recommendation(s)**. It is recommended that:
 13. The Bank Balances as of 31 May 2026 be noted.
 14. The Financial Budget Comparison 2026-2027 be noted.

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