



# Budget 2025/2026 - Preparation

**Date** 26 January 2026  
**Prepared by** Town Clerk and RFO

## 1. BACKGROUND

- 1.1. The council must set a budget by 1 March each year and the has to be approved by Full Council.
- 1.2. The 2026/2027 budget is for the period 1 April 2026 until 31 March 2027.
- 1.3. This is the final stage of setting the budget. Council met in November 2025 and provided a basis for the Council draft budget and councillors were offered the opportunity to bring forward alternatives to be considered at this meeting.
- 1.4. The proposed draft budgets are attached as appendices. There are three budgets for consideration.
  - Council's Draft Budget (£60.16 per year increase or 25.0%).
  - Alternative Budget proposed by Cllr Joan Soloman (£33.59 per year increase or 14%) to accommodate a contribution to two days of additional Community Safety Officer capacity.
  - Alternative Budget proposed by Together for Sandown (£23.25 per year increase or 9.7%).
- 1.5. No other Alternative budgets were brought forward.

## 2. CONSULTATION

- 2.1. Full details of the Consultation are included in the background papers.
- 2.2. The Council's draft budget is broadly in line with the results of the consultation.
- 2.3. The exception is a contribution towards funding the Isle of Wight Council's Community Safety Service which was bought forward after the consultation was launched but does reflect prioritising Town Improvement.

## 3. INCOME

- 1.1. The council's main income is from the Precept.
- 1.2. As a result of less uncertainties from world events and less instability in the economy income has been budgeted which has not previously.
- 1.3. 75% of the forecasted income for **Hall Hire**.
- 1.4. No income has been budgeted for **toilet income**. However this may need to be reinstated if there is a significant increase in vandalism.
- 3.1. 100% of the Base Rent for the land at **Sandham Gardens** has been budgeted, however, the Council's percentage of the profits from the concessions have not been budgeted.

- 1.5. The budgeted **interest** is based on 0.5% on the general and allocated reserves expected at the end of 2026/2027.
- 1.6. Three months income from the SLA with Lake Parish Council has been budgeted reflecting the notice period.

#### Other Income

- 3.1.1. Budget expenditure does not include any **VAT**. The refund is based on VAT paid and received and therefore should not be budgeted as income.
- 3.1.2. **Grants** are not a guaranteed source of income. While officers make every effort to obtain grant funding for the council, it is dependent on what grants are available, if the projects meet the criteria of the grants and officer capacity to work on submissions. Therefore, grant monies cannot be accurately budgeted.
- 3.1.3. Monies from **insurance** claims are reparations for damage or loss and therefore used to offset loss by the council and should not be budgeted.
- 3.1.4. **General Recharges** do not generate profit and therefore are not an income stream that should be budgeted.

#### **4. COMMENTARY ON THE DRAFT BUDGET**

- 4.1. On items which have been forecast from previous years expenditure, a 4.1% **inflation** rate has been applied. This reflects changes the rate of inflation at the time the budget was set as the predicted reductions to the rate of inflation for the last two years have not been achieved.
- 4.2. While **Energy and Fuel** prices have stabilised in comparison to previous years, it is rare to see a reduction to costs or charges which generally increase year on year. Therefore, costs are budgeted at 1.3 times the previous years costs rather than an inflationary increase.

#### **5. CAPITAL MONIES (ALLOCATED OR EARMARKED RESERVES)**

- 5.1. Monies were allocated for the replacement of all capital items at end of life.
- 5.2. New items include:
  - 5.2.1. Website Upgrade.
  - 5.2.2. Additional CCTV installed in last financial year.
  - 5.2.3. Mural Fund
  - 5.2.4. Youth Project
  - 5.2.5. Sandham Grounds - Replacement Lighting
  - 5.2.6. Sandham Grounds - Resurfacing existing MUGA
  - 5.2.7. Sandham Grounds – Resurfacing Playground
  - 5.2.8. Sandham Grounds – Increased provision for Skate Park Refurbishment

#### **6. RESERVES**

- 6.1. The Practitioners' Guide indicates “ In practice, any authority with income and expenditure in

excess of £200,000 should plan towards 3 to 12 months equivalent general reserve”.

- 6.2. Sandown Town Councils income and expenditure have been in excess of £200,000 for a number of years.
- 6.3. Sandown Town Council has significant borrowing liability (£685,144). In last years budget meeting Council agreed to work towards the 6-month provision, increasing it by 1 month each year. On that basis 6 months is suggested for this budget.

## **7. SPECIFIC PROJECTS (COUNCIL DRAFT BUDGET)**

- 7.1. Monies were allocated for investment in a **Sandown Community Benefit Society** (Up to £25,000 to **match** residents investments).
- 7.2. Budget provision has been made for grants to **Warm Spaces** (£4,000) and **Breakfast at the Bay School** (£4,000) with no conditions were budgeted.
- 7.3. The grant to **Carnival** has been increased to £7,500.
- 7.4. Monies were included for **Place Plan/Town Improvements** (£35,000) and **The Bay Regeneration Officer Provision** (£12,000)
- 7.5. Budget provision has been made to extend the additional **Planning Enforcement** service.
- 7.6. Monies are allocated for Resurfacing the **Broadway Centre Gravel Carpark**
- 7.7. The contribution to the **Youth Offer** has been set at £35,000 revenue and £20,000 capital.
- 7.8. A budget has been included for **Summer Events** programme (£5,000)
- 7.9. Provision has been made for a **Mural Fund** (£10,000)
- 7.10. Contribution towards an additional **Isle of Wight Council Community Safety Officer** (£13,000) subject to an agreement in relation to the scope of the work has been budgeted.
- 7.11. Monies have been allocated for a contribution towards a **Crossing Patrol on the Broadway**.

## **8. STAFFING BUDGET**

- 8.1. The staffing budget is based on last year budget plus any contractual pr national pay award increases.

## **9. ALTERNATIVE BUDGET FROM CLLR JOAN SOLOMON**

- 9.1. A budget of £26,000 was allocated to fund a **Community Safety Officer** for **two days** a week.
- 9.2. The following provisions were removed from the budget to accommodate the additional costs:
  - 9.2.1. A new **notice board** at the Broadway Centre was removed.
  - 9.2.2. **Capital** to replace the **Beach Matting** for wheelchairs (grant funding would be sought with current reserve as match funding)
  - 9.2.3. **Capital** monies for replacement of **Decorative Lighting** (repair and replace gradually from existing reserves)
  - 9.2.4. **Los Altos Grass Cutting** (land no longer managed by STC)

- 9.2.5. Monies for **Mural Fund** (with Place Plan monies to be used for this)
- 9.2.6. Budget for an **Election** as it was not an election year and any bi-election could be funded from reserves.
- 9.2.7. **Sandham Grounds Kerbing** (to be included in Skate Park works)
- 9.2.8. Provision to resurface the **existing MUGA**
- 9.3. The following provisions were reduced:
  - 9.3.1. The **Broadway Crossing Patrol** (50% match funding to support school)
  - 9.3.2. **Capital** provision for the **toilets and changing places** reduced to £7,500.

## 10. ALTERNATIVE BUDGET FROM TOGETHER FOR SANDOWN

- 10.1. The following provisions were removed:
  - 10.1.1. **Capital** to replace the **Beach Matting** for wheelchairs (grant funding would be sought with current reserve as match funding)
  - 10.1.2. **Capital** monies for replacement of **Decorative Lighting** (repair and replace gradually from existing reserves)
  - 10.1.3. Budget for an **Election** as it was not an election year and any bi-election could be funded from reserves.
  - 10.1.4. Provision to address **Sandham Grounds Kerbing** (to be included in Skate Park works)
  - 10.1.5. Provision to **resurface** the **existing MUGA**
  - 10.1.6. Budgeted **Capital** Reserves for **Skate Park** (see refurbishment)
- 10.2. The following budget provisions were reduced
  - 10.2.1. **Los Altos Grass Cutting** changed to **Land Hire** and halved (land no longer managed by STC)
  - 10.2.2. Monies for replacing **Broadway Centre Gravel Carpark** halved to spread over 2 years
  - 10.2.3. Monies for the **Mural Fund** halved (with Place Plan monies to be used for this)
  - 10.2.4. The **Broadway Crossing Patrol** halved (50% match funding to support school)
  - 10.2.5. **Summer Events** programme halved
  - 10.2.6. **Skatepark refurbishment** reduced by £1,000
  - 10.2.7. **Capital** provision for the **toilets and changing places** reduced to £7,500.

## 11. APPENDICES

- Appendix A [Council's Draft Budget](#)
- Appendix B [Alternative Budget proposed by Cllr Joan Solomon](#)
- Appendix C [Alternative Budget proposed by Together for Sandown](#)

## **12. BACKGROUND PAPERS**

<https://www.sandowntowncouncil.gov.uk/download/256/papers/5069/paper-f-budget-process-2026-27.pdf>

<https://www.sandowntowncouncil.gov.uk/download/256/papers/5068/paper-f-appendix-a-budget-2026-27-consultation-results.pdf>

<https://www.sandowntowncouncil.gov.uk/download/255/24-nov-25/5071/01-agenda-24-november-2025-final2.pdf>