# CENTRAL SWINDON NORTH PARISH COUNCIL

## HMG Budget Implications

## 1. Recommendation for Finance & General Purposes

- To **NOTE** the financial impact of the Chancellors Autumn budget of around **£22,000** for the 2025/26 budget setting.

## 2. Report Details

### Introduction

The government has issued its Autumn budget with wide ranging implications to the Parish Councils budget setting for 2025/26.

### Impact Summary

### Employers NIs

The Employer National Insurance rate will increase by 1.2% from 13.8% to 15%. This increase applies to earnings above a lower threshold, which has reduced from £9,100 to £5,000 per annum.

For an employee earning £30,000 annually, this change will increase the employer NI contribution per year by £870.00 bringing the total Nis cost from **£3,143** to **£4,009** per annum.

This increase **DOES** apply to both the public and private sector.

For the current staffing budget this will add an additional **£8,500-£9,000** per annum in NIs liability.

ID Verde will **NOT** be able to pass this increase onto us as the only metric increase permitted is CPI, which is currently 1.77% and forecast to be 2.6% by February our joint focal month.

However, after we retender or apply an in-house model this increase will be impacted either way, adding an estimated **£3,000-£4,500** per annum. This will apply pro-rata from July 2025, the contract anniversary date.

The combined impact of both grounds and CSNPC staff should provide an additional budget of **£15,000**.

The increase should also be considered in relation to the applied CSNL&LT grant in April 2025.

## Fuel Duty

The Chancellor has frozen fuel duty and maintained the temporary 5p relief on duty for a further year.

The Council does not receive mileage claims from officers and all miles driven in Swindon are done so at the Officers expense. This is in the main due to the small sums involved where administration outweighs remuneration. The system can’t be made quicker as it is required for auditing purposes.

Any fuel used for outside Swindon is paid via GPC which again is the Officers choice, as the ‘wear and tear’ HMRC allowance is forfeited but is more convenient for the Officer and significantly cheaper for the Council. The payment per mile is lower and the Council will also reclaim the VAT quarterly.

The current annual budget for all staff/Cllr mileage is **£4,500** per annum so there will be no changes forecast as a result of the budget.

## Environmental Grants

Additional funding for climate initiatives and affordable housing will likely encourage this Council to participate in applying for local environmental sustainability grants.

These applications will likely align with both the Government & Parish Councils commitment to support sustainable growth. There may be additional costs involved for the Grants Manager to assemble applications as these are outlined by the Environment Secretary in the coming months.

## NMW/National Living Wage

Currently all agency staff are paid the NMW at the living wage rate for over 21’s. From April the rate increases from £11.44 to £12.21 per hour.

This will increase the Councils liability on two fronts, agency employed staff and standby. Standby costs will increase by **£1,900** per annum and Agency staff by **£4,800** per annum.