



DRAFT BUDGET 2026/27

October 2025



LOCAL COUNCIL
AWARD SCHEME
QUALITY GOLD

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INTRODUCTION

This year, we are holding public engagement on our budget for the first time. The aim of this is to receive input from the community to inform the final decisions which will be made on our budget in December and January. In local government, the financial year runs from 1st April to 31st March. Our budget process starts in August each year when we begin to prepare estimates for our year end position and identify budget requirements based on the commitments in our strategic plan, planned activity and commitments. During September/October, each budgeting holding committee considers a draft budget and recommends it to our Finance Committee. This is the stage we are now at; each committee has agreed its draft and this engagement process is on these committee drafts. In December, our Finance Committee will review the budgets and output from this engagement and agree recommendations to the January Full Council meeting which sets our budget and our precept (the amount we collect as part of council tax).

As part of this engagement process we are publishing:

- The complete draft budget – this is a report from our finance system which compares the previous (2024/25) financial year with our spending and projected spending to date. It also includes our draft allocations for budgets in 2026/27.
- This budget explainer – which talks you through each part of our budget explaining what it is for, relevant information and key changes
- A budget summary – this provides a summary overview of how the monthly amount we would collect in the council tax would be spent

ABOUT THIS DOCUMENT

This document is presented by committee, as that is how we overview our budgets. Each committee has responsibility for its own budget, with our Finance Committee maintaining oversight across the council.

The tables in each section then present the information by cost centre (specific parts of our budget which contain individual spending lines). This matches the full budget report you can also read. We have provided notes on what the cost centre is for and contrasted the net budget (expenditure less income) for the current financial year and next. The key changes highlight where there is notable change in how the budget is prepared.

Where a centre shows a negative net budget, this is a profit centre and generates a net income.

The final section covers our reserves.

FINANCE COMMITTEE

Centre	Notes	Net Budget 2025	Net Budget 2026	Key Changes
Central Admin	This centre is some of our core administration costs such as insurance, banking and audit. It also includes membership subscriptions to organisations which represent and provide guidance to the council in different areas – for example the Institute of Cemeteries and Crematorium Management. The value of the precept (our part of council tax) has not yet been formally discussed by the Finance Committee, but based on the budget would be £877,630. We do not budget for Community Infrastructure Levy income – we don't know precisely how much may be received in any year and there are restrictions on how it is used, so this does not affect the precept.	4,950	7,650	- Bank interest is forecast to be lower than current year receipts due to the expected gradual reduction of interest rates. - Our current insurance package was a five-year fixed rate deal (note annual insurance costs usually increase as we index link the reinstatement costs of assets). This has insulated us against insurance industry increases, but from 2026 we expect a significant increase in our insurance costs.
Civic	This is a small cost centre which provides budget for travel and subsistence costs incurred by councillors in their duties outside the town.	150	150	
Funded Services & Large Grants	We are in a three year agreement (to 31/03/2027) with Cheshire East Council to part fund the town centre CCTV system. We fund the Citizens Advice to operate a twice weekly service in Knutsford. The income in this centre is from neighbouring parish councils which contribute towards the costs of the Citizens Advice Service.	67,830	62,667	Decisions on large grant applications will be made at our Finance Committee meeting in December and may increase the budget in this centre.

Our Millennium Bursary is a grant to a student in Knutsford to support their final year studies at university.

We have agreed specific funding support for Knutsford Heritage Centre and The Welcome.

Our Large Grant scheme considers requests for grants above £1,500. This year we gave one to Stable Minds (£4,910). The deadline for these applications is 31st October, so the draft budget has no allocation for 2026, but this may be amended when the Finance Committee reviews applications.

- We adjust the value of the Millenium Bursary by inflation each year.
- Due to the timing of the award in 2024, the bursary will be paid twice this financial year.

Mayor's Civic Cost

The costs in this centre support the operation of the mayoralty, this includes the annual allowance paid to the mayor to support them undertaking their duties, budget for travel costs when they attend events, and costs of civic events like Civic Sunday and Mayor Making.

3,420

3,450

- We adjust the value of the Mayor's Allowance by inflation each year.

COMMUNITY COMMITTEE

Centre	Notes	Net Budget 2025	Net Budget 2026	Key Changes
Community Grants	This budget is used to provide a community grant scheme, which local organisations can apply to for grants of up to £1,500. In the last year we've supported organisations such as Friends of St John's Wood with a new sign, St Cross Church towards their roof repairs and Hope Central with their debt centre.	8,200	7,500	Minor decrease is because we carried forward budget from the previous year for a grant that had not been paid out at the year end.
Communication and Engagement	The computer software budget is our e-mail database software, costs in this centre support our external communications and provide some budget for public consultation costs.	1,680	2,180	Small increase to support additional consultation.
Community Services	The budgets in this centre are there to support activity in the community. This will include the work of our accessibility forum, and planned work supporting young people.	4,500	4,500	
Town Awards	The Forum of Private Business sponsor this event and paid in advance for multiple years of sponsorship. The budget funds the Town Awards scheme.	500	500	
ReFresh Knutsford	This budget is used to organise our annual community 'freshers fair' which showcases community organisations.	1,400	1,400	

ASSETS AND OPERATIONS COMMITTEE

Centre	Notes	Net Budget 2025	Net Budget 2026	Key Changes
Council Offices	This budget is for the operating costs of the Council Office building, including utilities, business rates and general operational costs.	37,585	37,320	- We expect business rates to go up next year due to the national revaluation of business rates. - We expect insurance costs to increase due to the end of our fixed term agreement.
Council Office Improvement	The Council Offices is a Grade II listed building which has not had investment in a long time. We are developing a scheme to renovate the building to address structural works, undertake redecoration, make the building accessible, repair windows and more. The costs in the current year are drawn from our Capital Reserve and will fund architect and surveyor costs to help develop the plans. Next year we will be undertaking the first stage of works which is repairs to the roof, gutters and parapet walls.	NEW	55,000	The new budget provides funds to undertake a programme of roof repairs.
60 King Stret	The cost centre funds the basic operating costs of the building, it provides a small budget for incidental repairs.	8,000	11,350	- We expect insurance costs to increase due to the end of our fixed term agreement. - If the BID is approved, will pay the BID levy for this building.

Lily Lodge / Justice View	These are the commercial spaces within the two public toilet buildings which are let to two local businesses. Under the lease, the utilities, insurance and a portion of repair costs are recharged to the tenants.	-23,925	-24,920	The rent income is linked to inflation and adjusted annually.
Other Buildings	This mainly cover the Freeholders Hut, a building we own near the Heath which is used for storage. Next year we will be undertaking roof repairs following a recent building survey. The budget also includes costs for renting a garage for additional storage.	612	4,960	- Budget added for roof repairs - Budget included for garage rental
Transfer Fees/Costs	This budget covers costs associated with the transfer of assets from Cheshire East Council. We are looking to have Knutsford Bus Station transfer to us in 2026.	2,000	7,500	Budget included for operating costs of the bus station (to be confirmed)
Cemetery	This is the operational budget for the cemetery (staff costs are accounted for separately); income is generated from cemetery fees which covers the various costs of operating the cemetery and contributes to the staffing cost. This year the centre is forecast over budget due to unplanned works required at the garage on site.	-22,703	-28,430	Cemetery fees are revised annually.
Cemetery Chapel	The Tabley Hill Chapel is in the centre of the cemetery and available to hire for weddings, funerals and functions.	1,498	2,395	- We expect business rates to go up next year due to the national revaluation of business rates. - We expect insurance costs to increase due to the end of our fixed term agreement
Market Hall Refurbishment	These are the costs associated with the major refurbishment undertaken early in 2025 (the cost for some	12,763	-2,364	

of which was within the current financial year) and the roofing works undertaken over the summer.

The refurbishment works were largely funded by grants, with some costs drawn from our reserves. The summer works were wholly funded by a grant.

The payments recovered line is an agreement with a trader repaying the fit out of one of the stalls.

Public Toilets	We have a contract with Danfo to operate the public toilets for us, this runs to 2038; the contract includes the cleaning and repair of the toilets. Income from the toilets is taken off of the contract value, so the contract costs line is the net cost. The utility recharges relate to a charge to Cheshire East Council for electricity used in the car park/bus station.	43,875	47,650	• The contract value increases annually by inflation. • Water costs have increased significantly since we set the 2025 budget.
Allotments	We own the Sparrow Lane and Warren Avenue allotment sites. We work with Knutsford Allotment Society who manage them on our behalf. We expected the new Devis Way site to go live this year, but it was delayed. The budget is usually planned to break even – any surplus is committed to an allotments reserve to invest back into the allotments, and any deficit is drawn from the same reserve. In 2024/25 we received a £10,000 payment from Redrow to mitigate flooding issues at the site, this is the improvement projects budget this year.	9,600	0	• Expenditure will have been complete from the £10k Redrow funds.
Town Ranger	This is the operational budget for the Town Ranger (staff costs are accounted for separately). It includes the cost of	4,400	4,720	• We expect insurance costs to increase due to

	tools and equipment, vehicle costs and incidental materials.			the end of our fixed term agreement
Grounds and Open Spaces	This funds the maintenance of Wallwood (Tatton Street), Higher Town Green (Chelford Road) and Obelisk Green (Chelford Road). We are also paid by Cheshire East to maintain the River Lily, and have a contractor who does this for us.	4,870	4,470	
General Operations	This centre covers the 'general' costs of operating the office such as our phones, broadband and stationery. It also covers incidental costs for council activity. The overbudget computer equipment expenditure this year is being funded from our infrastructure reserve.	13,735	18,180	• We have included a budget for a new Health and Safety support service • Following changes in staff levels, some costs have increased e.g. number of phones and computers.

ENVIRONMENT AND TRANSPORT COMMITTEE

Centre	Notes	Net Budget 2025	Net Budget 2026	Key Changes
Town Planting and In Bloom	This budget funds the town centre planters and hanging baskets, it also provides budget for replacing some plantes with Knutsford in Bloom, and our annual grant to Knutsford in Bloom to enable the volunteers to maintain other planters and flower beds.	5,600	5,100	
Heritage	We plan to publish a guidance leaflet for people living in the conservation areas to raise awareness of how they can support their enhancement.	2,500	900	The external contractors budget was intended for some heritage focused projects, but we have decided to postpone this workstream
Environment Projects	The large expenditure this year is work we will be commissioning to design the Dog Wood cycle path. The budgets in this centre cover ad hoc projects, such as replacing bins and benches, installing blue plaques and replacing street name signs. This year we also plan to contribute to restoring Red Cow Yard.	50,550	8,550	- Removal of one-off costs of the cycle path design project - Removal of the budget for cycling projects as the main project will be complete
Open Space, Climate and Nature	This budget mainly supports the implementation of our Nature Action Plan; this year it funded the bee trail, next year it will fund our work on frogs and ponds. It also covers the costs of tree planting and the big bulb plant events.	6,400	7,200	Small increase in budget to support open space projects

EVENTS COMMITTEE

Centre	Notes	Net Budget 2025	Net Budget 2026	Key Changes
Christmas Lights Switch On	The cost of the Christmas Light Switch On event, this includes the stage, entertainment and promotion of the event.	10,100	13,850	Budget increased to bring back the Lantern Parade for 2026
Christmas Market	This centre delivers a small surplus which offsets some costs of the Christmas Light Switch On. Income is from stall fees, whilst the costs pay for the park and ride, gazebos, security and entertainment.	-4,060	-3,450	Increase in contractor costs
Crib Service	This centre funds the crib service event, our annual community carol service and blessing of the town crib.	950	1,150	Increase in contractor costs
Pumpkin Path	The costs of running the event include the road closure/traffic management, entertainment and marketing.	2,750	3,100	Increase in contractor costs
Bunny Hop	The cost of the annual bunny hop event, including marketing and incidental events costs. The timing of the event impacts how it appears in our budget – depending on when easter falls, we may have the event twice, once or not at all in the financial year. In 2026 we'll have it twice (April 2026 and March 2027) and some costs will be across the different financial years depending on when expenditure is incurred.	150	200	
Picnic in the Park	The costs of delivering this community event on St Helena's Field. This is a relatively new event, and we're adapting it as we go.	3,500	3,000	Change in the profile of income/expenditure
Movies on the Moor	After a successful first event (thanks in part to the amazing weather) we plan to host a second outdoor cinema event in 2026.	1,200	2,000	Increased cost for a larger screen

	We had an upgrade to a larger screen this year and will book this larger screen for 2026. We also plan to have a food stand to support the event and host films longer in the day.			
CRTA Event	We would like to work with the Cheshire Rural Touring Arts Association to host part of their programme in Knutsford. This is a break-even centre with the intention that ticket sales would cover our costs.	-	-	
Paint Knutsford	After a successful first event (again, thanks in part to how sunny it was) we plan to repeat it in 2026. We had some initial set up costs this year (easels to display artwork, for example).	-	-	
Music Festival	This is our weekend long community music festival which takes place in June. A large portion of the event costs are covered by ticket sales, and we coordinate a programme of free and ticked music events across the weekend. Costs include paying for artists and sound systems.	5,425	5,300	• Change in profile of income/expenditure
Other Events / Projects	This cost centre includes the budget for the Young Artist of the Year competition and Remembrance Sunday. It includes a budget for equipment – this year we bought some marquees – that will be used year after year,	4,000	3,500	• The 2025 budget included funds for a VE Day Service
Heritage Open Days	In 2024/25 we were awarded a grant for preparing materials we will use annually, this wasn't paid until the new financial year so the current year shows us with a surplus. The budget funds the promotion of the programme and incidental costs supporting the events that take place.	-4,500	500	

TOWN CENTRE COMMITTEE

Centre	Notes	Net Budget 2025	Net Budget 2026	Key Changes
Promotional Events	We run four events in partnership with local businesses, designed to bring sector specific footfall to the town centre – Knutsford Flash Fashion, Knutsford at Home, Knutsford Family Fest and Knutsford Wellbeing Week.	3,000	2,800	•
Town Centre Management	This year, we have funded the development stage of a Business Improvement District; if the BID is agreed by businesses, the costs will be repaid to us over the next five years. This centre includes incidental costs associated with our town centre management function.	35,700	-3,600	• Removal of one-off budget for BID development • Addition of income line to repay BID development costs
Town Centre Masterplan	We are working to develop a town centre masterplan by December 2026. This cost centre provides funding for external consultants and public consultation.	5,000	5,000	• Change in profile of expenditure
Tourism	This budget is used to promote Knutsford as a visitor destination, which helps bring footfall to our town centre. The grant income in the current year covered expenditure in the previous financial year. Advertising income includes for our town centre map publication, and our Christmas gift guide.	-1,400	14,000	• Increase in budget to support additional investment in tourism – including commissioning a year of photography for use in marketing materials and advertising Knutsford further afield.
Market Hall	This cost centre include the income from market traders, casual traders and venue hire. Following the refurbishment, the income streams for casual/venue hire are developing.	-11,820	-9,700	• Reprofilling of income budgets

	The centre is a profit centre, which contributes to associated staffing costs.			- We expect insurance costs to increase due to the end of our fixed term agreement. - Addition of a business rates centre (awaiting valuation)
Markets (Outdoor/Licensing)	A small profit centre, mainly with income from our weekly outdoor trader and associated electricity costs.	-480	-330	
Makers Market	We receive a share of the profit from the Makers Market. We also coordinate the road closures and parking permits, the costs of which are recharged to the operator. Following the introduction of business rates for the market, there was no income in the last financial year but will be higher income in the current financial year to balance this.	-2,500	-2,500	
Taste Knutsford	This is a small profit centre – our monthly food tours which support local eateries and are an additional visitor attraction.	-850	-900	
Knutsford Voucher	This is our town centre gift voucher scheme and is budgeted to be a break even centre. The costs of operating the scheme are funded by unredeemed vouchers and businesses receive 100% of the face value of vouchers redeemed at their business.			
Town Centre Projects	This year we have a project to enhance the ginnels, the cost centre also funds the town centre bunting installation/removal. In 2026, we will need to replace the bunting as it only has a limited lifespan.	10,500	8,000	- Reduction in projects budget - Increase in bunting budget for renewal of bunting

Alfresco Dining Events	We work with hospitality businesses to coordinate alfresco dining events. We fund the road closure cost, whilst the businesses fund the traffic management and security costs. For 2026, the businesses are keen to hold more regular events.	1,200	2,500	Additional budget to support an increase in the events.
Christmas Lights	We provide a Christmas tree in Canute Place and lighting along the town centre streets. We are in the 2nd year of a five year contract for this. We regularly have a sponsor for the lights and a tree, offsetting some of the costs.	32,500	32,700	

PERSONNEL COMMITTEE

Centre	Notes	Net Budget 2025	Net Budget 2026	Key Changes
HR Budget	The council employs 17 people in a mix of part time and full time roles. This centre includes the salary, pension costs and PAYE for all staff. Our staff are employed on nationally negotiated employment terms and pay scales whereby staff progress along a pay spine with performance and length of service. We assume a 3.5% increase to pay values in 2026. The costs in this centre also include our HR advisor contract, payroll fees and incidental employment costs (e.g. uniform, travel costs, eye tests etc). We have also split out our “HR Costs” budget into separate codes relating to recruitment costs and staff wellbeing and recognition (e.g. we provide an annual Christmas meal for staff to thank them for their work, and hold an annual team building event to foster a strong team).	517,372	557,586	- Provision for annual pay progression and inflation increases - Change in cost coding of some expenditure with increased budget to reflect higher staffing levels from 2025.
Training and Development	Our training budget covers training costs for staff and councillors. We have revised the value of our staff training budget after several years of it being level, whilst our staff numbers have increased. This allows us to invest more in our staff development.	5,100	8,250	Increased staff training budget to reflect higher staffing levels from 2025.

RESERVES

Our reserves policy is reviewed annually as part of setting the budget. This page contains the proposals which will be presented to the Finance Committee as part of the 2025 review.

Reserve	Purpose	Current	Proposed	Change Explained
General	We are required to maintain a general reserve of around 25% - 100% of our net expenditure. Our general reserves are currently below this target but being built up gradually over a number of years to the required level.	150,000	175,000	Reserve increasing to build it to the required level, current level is ~ 20% (minimum required is 25%).
Capital	In 2018, we sold the Cemetery Lodge. This reserve contains the remaining funds from this sale. Capital receipts can only be used on capital expenditure, so are maintained as a dedicated reserve.	118,068	108,068	
CIL	We receive Community Infrastructure Levy from development which takes place, it must be sent on infrastructure or addressing needs arising from development. This reserve contains any unspent provisions.	23,587	28,963	The CIL received during the financial year is added to the reserve.
Allotments	This reserve is the surpluses from allotment rents. We use the reserve to fund works at the allotments or make up any shortfall for years where expenditure is higher than receipts.	5,997	5,997	We adjust the reserve at year end based on the final position of the budget.
Elections	We are charged for by-elections and from 2027 will have to pay a share of ordinary elections too. Each election costs around £7,500 and our policy is to have funds for two elections.	18,000	15,000	Since setting the reserves policy in 2024, we have been advised that the cost of our ordinary elections will be lower than anticipated, this gives us the ability to release some funds from the reserve.
Rental	This reserve is designed to provide a buffer for any loss of income/additional cost related to our two tenanted buildings, for example in relation to a change of tenancy.	6,624	9,025	10% of the income each year is committed to the reserve.
Play Areas	We allocate £1,000 to the reserve annually to provide funds to contribute to future play area investment e.g. at the Moor.	5,500	6,500	Annual commitment.

Infrastructure	Over the last decade, we have accumulated a range of infrastructure, from chairs in the chapel and market, to computers and lawnmowers. We allocate £5,000 per year to the reserve, this is to build a reserve to be able replace infrastructure as it is required.	10,000	14,000	Annual commitment less in year expenditure.
Neighbourhood Plan Review	We intend to undertake a review of the neighbourhood plan when Cheshire East Council completes a new local plan, we are aiming to have £40,000 in the reserve for a 2028 review.	20,000	30,000	Annual commitment.
Community Services	We created this reserve to enable us to take decisions to safeguard local services that may be threatened with closure due to Cheshire East Council budget cuts.	80,000	80,000	
Town Awards	In 2023, the sponsor of the awards paid for multiple years of sponsorship. We draw £500 a year from the reserve each year to fund the awards.	2,200	1,700	Annual expenditure.