

Parish Council Report

Agenda Item: Review of Final Costs for the Commemorative Tree Project and Consideration of Funding Source

Prepared by: Clerk/RFO Claire Crompton

Date: 15/01/2026

1. Purpose of the Report

The purpose of this report is to present the final expenditure for the Commemorative Tree Project and to seek Council approval for the funding source, either through the allocation of reserves or the reallocation of underspent budget lines within the current precept.

2. Background

The Parish Council approved the Commemorative Tree Project to celebrate and honour the reign of Her Late Majesty Queen Elizabeth II. The project involved the planting of a commemorative oak tree on Parish Council–owned land, chosen for its visibility and long-term significance to the community.

A dedication event was held following the planting, with a gathering in the Church. The ceremony was attended by local dignitaries, the Lord Lieutenant, residents, and members of the Parish Council, reflecting the importance of the occasion to the parish community.

Initial estimated costs were presented to Council in January 2025 (24/164) and April 2025 (24/220 e) . The project is now complete, and the final costs are available for review.

3. Final Project Costs

Item	Cost (£)
Purchase of Tree	£1,215.00
Brick Plinth & Plaque	£929.42
Miscellaneous/contingency	£281.85
Total final cost:	£2,426.27

4. Funding Options

Option A – Allocate Cost from General Reserves

- This approach is straightforward administratively and does not affect current-year operational budgets.
- General reserves currently stand at £44,520.34 (4 months).
- Reserves may be used for one-off community and environmental projects; however, any drawdown reduces the Council's overall financial resilience.

Option B – Virement from Underspent Budget Lines

Several budget lines within the current precept show underspends that could be reassigned to cover the final cost of the project. Potential lines include:

- General Admin-Website underspend – £4,491.34
- Open Spaces / Worthington Road underspend – £9,500.00
- Projects-S106 2024-2026 underspend – £9,265.73

Benefits of this approach:

- Retains reserve levels.
- Allows project costs to be absorbed within planned annual expenditure.

Considerations:

- Reduces flexibility for the remainder of the financial year in the affected budget lines.
- Requires a formal Council resolution to approve the virement.

5. RFO Considerations

From a financial management perspective, Councils are encouraged to maintain reserves at a prudent level (usually between 3–12 months of operating expenditure). If reserves are above this threshold, using them for a one-off environmental project may be appropriate.

Where sufficient underspends exist, a virement may be preferable to reduce reliance on reserves and maintain stability in the medium term.

6. Recommendation

Council is asked to review both funding options and determine its preferred approach.

Suggestion: **RESOLVED:**

- *To approve funding the final cost of the Commemorative Tree Project totalling £2,426.27 from General Reserves.*
- *To approve funding the final cost of the Commemorative Tree Project totalling £2,426.27 from a virement from the following underspent budget lines: General Admin, Projects, Open Space.*

7. Decision Required

Councillors are requested to **RESOLVE:**

1. To note the final costs of the Commemorative Tree Project; and
2. To determine whether the expenditure should be funded from
 - **(a) General Reserves**, or
 - **(b) Virement from identified underspent budget lines.**

8. Decision

Councillors decision:

Agenda item 25/94 at the meeting of the Parish Council on Thursday 15th January 2026:

AGREED:

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C V Crompton

Claire Crompton

Proper Officer to Fradley Parish Council