



LANHARAN COMMUNITY COUNCIL

BUDGET 2020/21

Meeting: **Audit Committee**

Date: **9th January 2020**

Report by: **Acting Clerk**

PURPOSE OF THE REPORT

The purpose of this report is to set out for Members' consideration and approval the Council's overall draft 2020/21 Budget.

The report also asks Members' to provisionally agree the proposed level of Precept and increase to the Community Council Tax for next year and note the likely movement on the Council balances and reserves.

BACKGROUND

Town and Community Councils do not receive any grant from either the Welsh Government or RCT and they rely solely on the local precept and income from charges. The Community Council's tax base for 2021/21 is £3,089.03 compared to 2019/20 which was £3072.09

RECOMMENDATIONS

Council is recommended to approve the 2020/21 Budget as shown in Appendix

1) BUDGET HEADS

a) Administration Costs

- i) Clerk and Assistant Clerk Salaries and Training
- ii) Maintenance staff x 2 Wages and expenses
- iii) Employer Pension and NI Contribution
- iv) Office rent, Council Tax, insurance, electricity, water, telephone and broadband, IT and office capital expenditure inc upgrade of chain of office.
- v) Printing, stationery and postage
- vi) Audit Fees
- vii) Professional fees - One Voice Wales and SLCC membership and training

b) Members Allowances

The Independent Remuneration Panel determine that Councils must make a payment of £150 to each Member in respect of telephone usage, information technology, consumables etc. unless a Member advises the Clerk in writing that they do not wish to receive the amount. 3 Members opted out of this payment in 2019/20. A 'Responsibility Payment' of £1,500 was paid to the Chair of the Council. There is also a Special Responsibility payment of £500 for up to 3 Members allowed. **£5,100 is suggested as an estimate to cover all 3 payments**

2) STREET FURNISHINGS

- a) **Bus Shelters** – Replace the 2 shelters at Hillside Avenue. ***It is recommended that the present estimate of £5000 be maintained to allow for new shelters and a programme of bus shelter repainting.***
- b) **Notice Boards** – Some of the Council notice boards need replacement Perspex screens and there are 3 that may need replacing or extensive repairs. **An estimate of £2000 is suggested.**
- c) **Planters** – Following discussions to improve the entrances and outlook of the village **an estimate of £3,000 is suggested for planters** around the coal dram at the bottom of Enterprise Way and Brynnau Gwynnion / Mountain Hare. Pending completion of the bypass, planters may also be placed in future years on the A473 from Talbot Green to Llanharan.
- d) **Summer Hanging Baskets** – The cost of purchasing and installing the hanging baskets for Summer 2019 was £2,822 in total, therefore, **an estimate of £3,000 is suggested for this current year.**
- e) **Festive Lighting** – See appendix 2.
- f) **Benches and Tables** – A programme of replacing benches and tables has been underway in 2019 and a total of £3,356.64 was spent on the purchase of new benches plus £1,250 installation costs. **It is recommended that to cover any refurbishment or repairs that an expenditure estimate of £2,500 is agreed.**
- g) **Skateboard Park** – The equipment was fully refurbished in 2013 at a significant cost. Further repairs have been undertaken since following incidents of vandalism at the site. **It is recommended that the current estimate of £500 be maintained.**
- h) **Clock Maintenance** – £150 has been spent on clock maintenance to date, it is suggested that the estimate for 2020/21 be set at £300 for both clocks owned by the Council.

3) COMMUNITY FUNCTIONS

- a) **Christmas Dinners** – The dinners for 2019 were arranged by the Community Council, with the Llanharan Drop-in Centre providing the catering. The numbers attending were consistent with last year, therefore, the **existing budget provision of £3500 is recommended for the 2020 dinners.**
- b) **Soup and Carols** – Funds were provided in support of the Community Lantern Parade. **It is recommended that the present estimate of £250 is maintained**
- c) **Fireworks Display** – The event managed by LCDP on the Welfare Field was a fantastic success with thousands in attendance. The fireworks purchase cost was £1,938 and the management cost to LCDP was £3000, **it is recommended that a provision of £6,000 is made for 2020.**

4) **FINANCIAL SUPPORT TO OTHER BODIES**

A major part of the budget is allocated to local community organisations, some of which have indicated that without the Council's financial support they would struggle to exist.

- a) **General Grants** – In this financial year a total of £9,337 has been spent on general Grants for small community organisations. **It is recommended that £15,000 be allocated for 2020/21.**
 - b) **The Llanharan Community Development Project** – The Council in February 2018 agreed to a new 3-year SLA with the annual grant being increased from £20,000 to £24,000 in 2018/19, from 24,000 to £24,500 in 2019/20 and thereafter by inflation (at the April RPI). **It is recommended that the estimate provision be increased by £500 to £25,000.**
 - c) **The Wildlife Trust** – The Council's annual grant is used to take forward the Trust's Management Plan for the woodland. The Trust regularly reports to the Council on progress and the efforts being made to secure additional funding from the Landfill Tax. **It is recommended that a provision of £10,000 be agreed for ongoing care and maintenance of Brynna Woods.**
 - d) **The Trussel Trust Foodbank** – The Council on 17 January 2019 agreed to support the Foodbank's Holiday School Lunch project at a cost of £4000 with the agreement that food provided would be distributed throughout the Llanharan Community. The costs of provision for this year to date have already reached £4,500 with a further £450 (Spring Half), **it is recommended that a provision of £5,850 for 2020/21 cover 13 weeks of school holidays in 2020/21 be agreed by Council.**
- 5) **Allotments** – The Footpaths and Allotments Committee continues to review and monitor the three allotment sites. **It is recommended that the estimate**

provision be kept at £3000 to cover any proposed works including the completion of the frontage of Bridgend Rd.

6) Mower/Tractor Maintenance and Fuel -The mower was replaced seven years' ago through a 5-year HP agreement at a cost of £2000pa. Other than the annual service there are no significant costs. A new mower was purchased at a cost of £16260.00 and a Bowser at a cost of £3,360. There were some teething problems with the new bowser and as a result the Council had to hire a bowser for part of the summer at a cost of £980.39. Fuel costs have been variable this year, spiking in the summer months for the watering of the hanging baskets. Ongoing costs of watering the baskets will decrease as a result of the task being carried out in house. **It is recommended that £3850 be agreed for ongoing maintenance and fuel costs.**

7) Rights of Way – In order to cover ongoing maintenance, it is recommended that the present estimate of **£5000 be maintained.**

8) War Memorials – A deep clean of the war memorial was carried out prior to the Remembrance parade and in order to keep the memorial in pristine condition it has been agreed by Council that an annual maintenance agreement is taken up with Mossfords at a cost of £1000. **It is recommended that Council consider including Brynna War Memorial in the agreement, therefore, the existing budget provision of £1000 be increased to £3000.**

9) Community Infrastructure Levy

An amount of £72937.55 was received by the Council this year in addition to £3104.14 which was received in 2019/20. These sums have to be spent within 5 years on infrastructure projects. **It is recommended that the Audit Committee determine the allocation of the CIL receipts currently received.**

10) Precept Level

Last year's precept produced an income of £184,357 plus other miscellaneous items.

The effect of rating at different levels with the new tax base is as follows:

Precept Level	Income that would arise £	Comments
63.56p	196,336	1p reduction in precept
64.56p	199,428	Last year's budgeted figure
65.56p	202,517	1p increase in precept

Note for every increase/or reduction in the precept by 1p an additional/lesser amount of £3089.02 would result.

11) Summary of Budget Proposal

	63.56p	64.56p	65.56p
Precept level at band D	196,336	199,428	202,517
Estimate Balances at 31/03/20	128,839	128,839	128,839
Estimated Sundry Income 20/21	5300	5300	5300
Total Resources Available	330,475	333,567	336,656
Less suggested expenditure	244,960	244,960	244,960
Estimated Balances at 31/03/21	85,515	88,607	91,696

Note the Reserve Fund of £23k includes £15k for the Memorial Gardens and £8k for the mower)

12) Well Being of Future Generations

Section 40 of this Act places a duty on certain community councils to take all reasonable steps towards meeting the local objectives in the local well-being plan that has effect in their area. The requirement only applies where the Council's gross income or expenditure was at least £200,000 in each of the preceding three financial years prior to the local well-being plan for its area being published.

At this stage, this is a 'flag' for the future, as Community Councils subject to the duty must publish a report for each relevant financial year, detailing the progress it has made in meeting the objectives contained in the local well-being plan

13) Conclusions

There are many competing demands for the funds available and it will be necessary for Members to prioritise the suggestions outlined above.

14) Recommendations –

That the Council determines:

- a) the level of its precept for 2020/21 and RCT County Borough Council be informed accordingly
- b) the estimate provision (if any) for the expenditure heads outlined in Appendix 1 to this report
- c) whether any of the current CIL receipts should be allocated to a particular infrastructure scheme(s).

Catherine Kennedy

Acting Clerk to the Council

Background papers – Appendices 1 & 2