

Budget Working Party

You are hereby summoned to attend a meeting of the Budget Working Party to be held on MONDAY the 10th January,2022 commencing at 7.00 pm at the Welfare Hall,Woodlands Road,Loughor and to be held on a remote basis in accordance with the provisions of the Local Government and Elections (Wales) Act 2021 and by means of Microsoft Teams. Press and Public are invited to attend online but should give prior notice to the Clerk at clerk@llwchwrTownCouncil.gov.uk and detail any question they wish to submit.The agenda will be as follows-

- 1-To appoint a Chair
2. To appoint a Vice Chair
3. Apologies for absence.
4. To receive disclosures of Personal Interests from Members under the Council's Code of Conduct.
(Note: Members are requested to identify the item number and subject matter that their Personal Interest relates to. Where the Personal Interest is a Prejudicial Interest they must withdraw from the meeting while that item of business is discussed).
5. To consider the Report of the Clerk (copy attached).

Dated this 6th January,2022

Clerk to the Council

Agenda Item 5

**LLWCHWR TOWN COUNCIL
BUDGET WORKING PARTY
Date 10th January,2022
Report of the Clerk**

1-Council Budget and Precept 2022/2023

i) The Council has to set its Budget for 2022/2023 and set its precept.The City and County of Swansea requires this information by the 31st January 2022.The proposed dates for payment of the precept are the 29/04/22, 31/08/22 and 30/12/22.At the time of writing this Report the latest

Bank Statements show a balance of £4,091.00 in the Welfare Hall Account and £64,118.00 in the main Town Council Account. Additionally the third and final precept payment of the current financial year would have been paid by Swansea Council on the 31st December 2021 amounting to £30,247.66. The Council also holds £19,100.00 on deposit.

ii)-Welfare Hall

a) User Groups-the Hall is, at present, open to Users subject to the Council's Covid-19 Precaution Policy and each User Group carrying out their own risk assessment. For the purposes of the Budget the assumption has been made that the Hall will continue to remain open and thus produce income. The further assumption has been made that by April 2022 the Hall will re-open for private hire/birthday parties-Members will note a budget line income of £1,500.00 to this effect. The predicted annual income from Users if the Hall remains open is £9,600.00. It may be worth noting that the Town Band have not given a 100% commitment to remain at the Hall for 12 months. During the pandemic the following Groups decided not to return-
WeightWatchers

Kung Fu

Loughor OAPs have not yet returned a risk assessment although they have indicated generally that they would wish to return-for the purposes of the Budget no provision has been made for any income from this source.

On the positive note a new Group Yoga Embrace have two sessions at the Hall.

b)-The Caretaker.

As confirmed by Council the Caretaker now works 37 hours per week and is paid the National Living Wage. The current rate is £8.91 an hour and this is the amount that the Caretaker currently receives equating to an annual salary of £17,143.00. The Government has announced an increase in the Living Wage from April 2022 to £9.50 an hour (a 6.6% increase)-this will equate to an annual salary of £18,278.00 and this amount is reflected in the Budget together with corresponding increases in Tax/N.I. and pension contributions.

c)Utilities

i) Water-last year's Budget provided for an amount of £1,300.00 but actual spend and projected spend would indicate a lower amount and so a figure of £1,000.00 has now been inserted.

ii) Gas & Electricity-between them there is a budget figure of £7,000.00. Again the figures of spend to date would seem to indicate lower figures but, of course, the Hall has now reopened and the winter months are ahead and so the provision of £7,000 in total has remained.

d)Subsidy by the Town Council

The Welfare Hall Budget always requires a substantial subsidy-income simply does not match in any way expenditure-but the subsidy required for the forthcoming financial year has risen significantly to £28,248.00.

The proposed Welfare Hall Budget for 2022/2023 is attached to this Report-in order to set the Council Budget it is necessary to set the Welfare Hall Budget since it forms part of the Town Council's finances.

iii)-Main Town Council Account

a) There is an amount of £3,788.00 currently in the council's Accounts being held as Earmarked Reserves. Looking ahead it is suggested that perhaps there may be two principal areas where such Reserves may need to be utilised in the forthcoming financial year and they would be first the ongoing plans for the refurbishment of the Welfare Hall and, secondly the recent collapse of the drainage pipes underneath the Hall may well require substantive remedial building works. I

therefore propose, as there is a healthy balance in General Reserves to allocate a further sum of £16,212.00 to Earmarked Reserves to cover such Works.

b) Clerk's wages-at the time of writing this Report the UK inflation rate is 4.6% and it is proposed to increase the Clerk's wages by this amount to £29,017.00 with a corresponding increase in Tax and N.I. contributions-also a £6.00 per month increase for the allowance from working from home.

c) Subscriptions-the current Budget figure does not reflect the actual amounts required namely (based on last year's figures) £1,474.00 for OVW, £234.00 for SLCC and £40.00 for ALCC. Therefore the Budget provision has been increased to £1,800.00.

d) Conferences/Training Expenses-probably because of Covid these were not utilised last year so I propose to reduce the current budgets by 50% this year and review next year.

e) Office Equipment-in recent years the Council has acquired a new computer and shredder but looking ahead there would not appear to be any major requirements necessary so I propose a reduction of 50% to £400.00 but again will review next year.

f) Members Allowances-each Member is permitted £150.00 (Including tax). The Clerk has made provision in the Budget for all 17 Members claiming which is a budget line of £2,550.00

g) Civic Expenditure-this budget line was reduced last year but, in fact, the Council purchased two new defibrillators as well as paying for replacement parts for the existing machines. Council has proposed an annual allowance of £1,000.00 should be set aside for maintenance and so the Budget line has been increased to £1,500.00. Also in this regard the Council are currently awaiting a quotation from a third party Contractor to undertake regular inspection and maintenance of the Council's defibrillators.

h) Mayor's Expenditure-I have slightly increased the budget provision by £50.00 to cover eg photo framing.

i) Newsletter-last year's invoice from the printer was £674.00; in addition provision needs to be made for delivery costs of £150.00 per area. Taking this into account I propose to reduce the Budget provision from £2,500.00 to £1,500.00.

j) Grants -the usual Budget provision is £5,000.00 and this has been retained for this financial year

k) Christmas Lights-Members will be aware that moving forward Lighthouse will each year test the lights, install them and then remove and store in January every year. The current price for this service is £1,040.00 per annum so a Budget provision of £1,100.00 has been made.

l) Wildflower planting/Floral displays-Swansea Council have indicated that costs in this regard have risen and therefore I propose to increase the Budget provision by £1,000.00 to £6,200.00.

m) Lantern Parade-it is assumed that this will proceed in Autumn 2022 and so the Budget provision of £3,000.00 being the Council's contribution to the Event remains.

iv) Moving Forward

a) One of the Town Council's principal aims, in setting the Annual Budget has been, understandably, to keep the percentage increase in the Precept to a minimum. However the effect of the pandemic has reduced the Council's income and this, together with the inevitable increase in expenditure, has to be reflected in the Town Council Budget. To cover such expenditure and achieve a balanced Budget, as the Council is legally obliged to do, the Council must consider an increase in the Precept-put simply the Council has to ensure projected expenditure can be met. The Precept in the last Budget was £90,743.00 divided by 3,508 Band D equivalent properties equating to £25.87 per Band D household.

The Clerk proposes a Precept of £92,170.00; however the number of Band D equivalent properties has decreased to 3477 for the reasons set out by Swansea Council in the documents in Appendix 1. This will therefore mean an annual charge of £26.51 per band D property- this equates to a 2.50% increase.

vi) Resolutions

The following Resolutions are suggested-

It was **RESOLVED** that-

- 1-the Budget for the Welfare Hall as attached (Appendix A) be accepted
- 2-the Budget for the Town Council as attached (Appendix B) be accepted
- 3-the Precept for 2022/2023 be set as £92,170.00
- 4-the wages of the Caretaker and Clerk be increased as set out in the Report

Dated this 6th January, 2022