

MINUTES OF THE POLICY & FINANCE COMMITTEE MEETING HELD 29TH. JANUARY 2025

Present : Cllr K Williams (Chair)

Cllrs. R Mills (Mayor) ,G Etheridge (Deputy Mayor), C Erasmus, D Box, D Davies, N Dix & C Clark

Cllr. K Etheridge was also in attendance as an observer

1. Apologies for Absence

There were no apologies – all members present

2. Declarations of Interest

There were no Declarations of Interest made

3. To Receive the Minutes of the Policy & Finance Committee Meeting held 2nd. December 2024

It was unanimously ***agreed*** the Minutes of the Meeting held on 2nd. December 2024 be received

4. Matters Arising

There were no matters arising

5. Applications for Financial Assistance

The Clerk presented his report on the request from Blackwood Cricket Club for financial assistance towards the cost of installing solar panels.

This initial request was reported to Town Council under Correspondence at its Meeting on 4th. November 2024 as follows -

Initial approach for additional Financial Assistance towards the cost of fitting Solar Panels to assist in reducing energy costs. Quotation for £24,790 (£19,632 funding from Sports Wales) with application to C.C.B.C. to cover some of the shortfall.

Furthermore it was ***agreed*** the Blackwood Cricket Club application be deferred to Policy & Finance Committee for deliberation.

An additional update had now been received, identifying that –

The cost of installation of solar panels £24,787 plus Vat, grant from Sport Wales £20,632 with £1,600 from CCBC. Therefore, there is a shortfall of £2,555, and requesting that any additional assistance the Town Council could make to off set this would be greatly appreciated.

After much discussion it was agreed to recommend that Town Council award a Grant of £500 with the proviso an Application Form be completed together with a copy of the Quotation for the works. This guaranteeing due diligence on our part, whilst accepting that both Sports Wales and C.C.B.C. will no doubt have gone through the same process and were happy with the outcome.

6. Budget Monitoring Report to 31st. December 2024 + Budget Requirements for 2025/2026 & Precept Discussions for 2025/2026 & Medium Term Budget Strategy

Current Council Tax Base 2025/26 £3,086.45 at Band D (compared with £2,936.94 for current year)

The Clerk presented his Report together with attached table which identified the Original Budget for 2024/25, Actual Spend to 31st. December, Anticipated Out –turn for 2024/25, a proposed budget for 2025/2026 & future years.

Monitoring Report/Out turn for 2024/25

The Anticipated Out- turn of £110,779 is an under spend of £8,151 on the original budget, whilst an Anticipated income of £88,107 is £5,842 more than budgeted which results in a likely requirement of £22,672 to be taken from balances rather than the originally estimated £36,665 (£13,993 saving).

The under spend on Expenditure was due in the main to £22,075 on additional staffing, £5,000 Contingency, £2,625 on Beach Party, £1,748 Civic Awards, £ 674 Other offset by over spends of £10,000 Office Furniture/ Equipment, £1,292 Office lease costs etc., £1,000 Flagpoles £2,500 laptops, tablets etc., £1,350 members expenses, £308 Remembrance Service, £5,000 Grant Blackwood RFC, £1250 Office/ Other equipment, £1,000 training/ conference expenses, £271 Other.

The Increased Income was due to £700 Interest, £4,000 CIL, £450 Xmas, £254 Remembrance wreaths, £150 room hire, £288 Training refund

After a brief discussion it was **agreed** the Monitoring Report be accepted.

Budget requirements 2025/26

He then presented a proposed budget for next year, 2025/26 , based on current spending patterns, plus inflationary increases on some expenditure heads, but which also reflects the Council's previous decisions to continue the provision of hanging baskets, the GAVO Volunteer Awards Evening and ongoing Events Programme and Grants to Voluntary Organisations, including Turn the Town Pink in support of the planned Breast Cancer Unit at Ysbyty Ystrad Fawr (£250), whilst also including a budget of £1,200 to provide assistance at the Remembrance Day Service which has improved so much over the past three years and now surely better reflects and honours the memory of our town's people that gave the ultimate sacrifice.

It also includes budgetary provision for the provision for a potential Civic Awards Evening in the sum of £2,000, and also £1,300 for the continued potential provision of Christmas Selection Boxes to Blackwood & Libanus Schools (in recognition of their continued support of Remembrance Services & Carol Concert)

Provision is again included for 2025/26, and future years in respect of the potential Contributions to Members Expenses, and assumes some 100% of members will claim all entitlements (£156 plus additional £52).

£2,500 is included for next year in support of the Members / Clerks Training Programme, Conference Attendance

Furthermore, it will be for the Council to determine each year whether or not Special Allowances will be paid in respect of Chairs of Committees, Level of Payments to Mayor/ Deputy Mayor and whether Attendance Allowances are introduced. No such provision is included at this point.

Obviously, two major additional provisions are included next year –

Office Accommodation and the associated costs – Whilst we have some certainty around Lease Costs, NNDR, Water Charges & Phone/ Wi Fi costs, some uncertainties still exist surrounding the heating/ lighting costs of the offices (with winter approaching) it is, therefore, considered prudent to include a contingency sum of £2k in the budget figures to cover these potential costs.

Additional hours/ staffing to man the offices – With Town Council recently having agreed the Town Clerk be advertised as a 24 hour per week contract and potentially an Admin/ Clerical Assistant as a 10 hours per week contract budget provision has been included to cover same.

An amount of £1,000 has been included for potential income from hire of rooms. This may seem an ambitious target at present, but achievable if we look to advertise our facilities. This will, however, need to be monitored throughout the year.

It should come as no surprise to members, therefore, that the Precept requirement for 2025/26 to cover all budgeted costs would need to increase (especially considering that the current years budget was supported by use of reserves in the sum of £36,665 to keep last years increase to £7.50)

Much discussion ensued on the potential income for hire of rooms, and whilst accepting the £1,000 as a target for next year, were eager to better advertise the facilities and maximise the potential income to offset the running costs of the building. Members queried our current charging structure and the Clerk reported that members had previously agreed no charge to CAB or other Charities, whilst £25 per hour was the current charge for commercial companies (GGP Law) and £50 for hire of the Chamber for C.C.B.C. Training events. After some further discussion it was agreed we need to publish a Charging Policy, and Cllr. R Mills volunteered to begin working on same.

Cllr C Erasmus stated her impression was that no charges to local voluntary groups was a way of ensuring the Offices were better utilised and hoped that the proposed Charging Policy would reflect this, realising many such organisations were already having financial problems.

The Clerk suggested perhaps some consideration be given to making donations to these organisations via our Grants to Voluntary Organisations budget to cover potential hire costs, thereby trying to maximise income for hire of rooms.

After some further discussion it was ***unanimously agreed*** to recommend to Town Council that the budget as presented for 2025/26 be agreed

Precept Requirements 2025/26

Currently our Precept of £27.50 is expected to raise approx £84,875, this together with an estimated other income of £2,000 means a total income of £ 86,875

With total expenditure estimated to be £114,700 this results in a shortfall of £27,825 which will need to be met by raising the Precept by approx. £9.00 per annum for Band D properties, Use of Balances (currently estimated at £47,011 at March 2025) or a combination of both.

With our useable Balances at their current levels to raise the Precept to its properly required level (approx £36.50 at Band D) would no doubt be questioned by the Wales Audit Office and so he would not recommend this course of action.

Whilst our Balances could meet the required shortfall in total, and still leave potentially £19,186 at March 2026, that would mean this time next year a potential shortfall of £29,875, meaning a minimum increase of Approx £3.50 with no usable balances then to offset the potential shortfall of £25,825 (£36,625 - £10,800 - £3.50 increase previous year) when considering the 2027/28 budget, and this then requiring at least an additional £8.00 - £8.50 increase in precept. Again, he would not necessarily recommend this course of action.

His recommended course of action would be for members to consider a combination of both - an increase in Precept and Utilisation of usable balances, whilst realising that on current predictions of budget requirements we will need a Precept of approx £40 for a self balancing budget for 2027/28 if that is the desired goal

N.B. a £1 increase in Precept amounts to approx. £3,085

The Clerk had also prepared some options to support his Recommendation to aid discussion at the meeting and he explained how he was eager to show that consideration of our Balances had been to the fore when setting our Precept otherwise Town Council would likely receive criticism from Wales Audit. He then outlined his recommendation which would mean an increase of £2.50 per annum to £30.00 for Band D properties for 2025/26 resulting in £20,110 being taken from Balances.

When looking at the Medium Term Strategy he was recommending that for 2026/2027 an increase of a further £ 3.50 to £ 33.50 for Band D properties necessitating £11 355 being taken from balances and for 2027/2028 an additional increase of £4.00 per annum to £37.50 requiring a further £ 5760 being taken from Balances.

After some discussion it was *agreed* we recommend to Council that the Precept for 2025/2026 increases by £2.50 to £30.00 per annum for Band D properties, and that we utilise £20,110 from Balances to deliver a Balanced Budget. Furthermore it was agreed the Medium Term Budget Strategy be accepted but that this will obviously need revisiting/revising this time next year.

Whilst considering Balances, Cllr R Mills queried the position of CIL monies and whether we were in danger of losing some monies if not spent within the required time frame. The Clerk reassured members we were fine at present, but with £30k potentially earmarked for Roller Shutters at the Bus Station, which has at present been dismissed by Caerphilly C.B.C. perhaps we should look to make a firm decision by end of September so proper consideration could be given to other potential projects. After some further discussion it was agreed the Clerk make contact with Bridgend C.B.C. Passenger Transport Dept. to try and ascertain the cost of shutters installed at their Bus Station and whether any structural works had been required.

