

# Council Budget, Precept and Council Tax 2020-21

## Report of the Administration Working Group

### 1. Purpose of the Report

1.1 To provide the Council with the information necessary for its decisions on the Budget, Precept and Council Tax for 2020-21. The report reflects the meetings of the Working Group on 17 December 2019 and 15 October 2019 which considered details of a draft budget and options provided by the Clerk.

### 2. Recommendation

2.1 The Council agrees the budget recommended by the Administration Working Group as set out in Column 4 of Appendix 1 and a consequential precept of £122100 which will lead to a Band D Council Tax of about £34.79. which is an increase of 2.7% (91.5p per annum)

### 3. Background

3.1 Each year the Community Council must agree a **precept**, i.e. the amount that it requires RCT County Council to collect from the residents of Pontyclun in the council tax contribution to the Community Council's planned expenditure.

3.2 The Community Council is required to agree its precept alongside its agreement on budgeted expenditure and income for the coming year, taking account of whether its reserves are more or less than sufficient to meet their purposes.

3.3 The Working Group draws the attention of the Council to the following budgetary provisions

3.3.1 Around 70% of the Council's total costs are staff costs. These costs are budgeted to increase from about £91,900 to £96,085 in the coming year. This is an increase of 4.5% and reflects a 2% nationally agreed pay increase and movement through the grade increments for the staff in post.

3.3.2 The post of Café 50 'Welcome Officer' has been 90% funded by a grant from RCT Council. It was reported to the Administration Working Group that RCT Council had agreed to continue this funding for at least the next two years.

3.3.3 The Working Group gave detailed consideration to the post of the Dementia Support Group Officer. This post was created in April 2019 as a result of a successful application for a one year grant from Cwm Taf Local Health Board in support of the objective of increasing the number of people attending and the number of volunteers, thus making the group more self-sufficient in the future. It was reported to the Group that the post holder had made an effective contribution to the Support Group. It is recommended that an application for another year's grant should be made to the LHB in order to further increase the volunteer input. It is recommended that no budgetary provision should be made for this post which will therefore cease in the event of no further grant funding. It was noted that the Council does not fund any other post in support of the groups meeting in Café 50.

3.3.4 The recommended budget anticipates a reduction of £500 in donations towards the operations of Café 50 as this reflects this year's likely out-turn.

3.3.5 The Community events budget is increasing by £750. This assumes that we will be using a marquee again this year at the Christmas festival and will be arranging the Christmas tree – the 2019-20 budget did not include these provisions.

3.3.6 It was reported that RCT Council has agreed verbally to fund the Non Domestic Rate liability for Café 50 and there is therefore no budget provision made for this. The amount budgeted for Non Domestic Rates reflects the liability of the Car Park, the Council Office and the Garage.

3.3.7 The Working Group considered the pattern of expenditure on tree maintenance over recent years. It considers that the recommended budget provision of £1000 for annual expenditure and £2000 contribution to the ear marked reserve is appropriate notwithstanding the spike in expenditure of £7000 in the current financial year.

3.3.8 Where budget out-turns have been less than the budgeted provision in the current financial year the Working Group has in many cases recommended a reduction in the budget provision for the next year.

3.3.9 The Working Group recommends that £1500 from the reserve be allocated to fund a gate at the southern access point to Pontyclun Park.

3.3.10 The Working Group noted that the condition of the planters on Cowbridge Road has deteriorated and recommends a programme of replacement with £1100 from reserves being used for the replacement of a single planter each year.

3.3.11 The working group considered that the request for outdoor exercise equipment should be the subject of a review over the next year identifying costs and benefits

### **3.4 Ear Marked Reserve**

The Working Group gave consideration to the Ear Marked Reserves. It notes that these reserves now total £41,423. The Working Group gave consideration to each reserve and has recommend the level of further contribution for next year and recommends that a total further contribution of £11,500 is made in the next year. This should be funded by a £3,000 transfer from the General Reserve and by a £8,500 contribution from the precept.

### **3.5 General Reserve**

The General Reserve is currently about £55,000. The agreed policy of the Council is to maintain a General Reserve of between £25,000 and £50,000. The Council has already agreed several capital projects which will be funded from the reserves including parking initiatives, new signs, benches and Café 50 improvements. This report adds to this call on the General Reserve with recommended expenditure on a park gate and new planters. It also recommends a £3,000 transfer from the General Reserve to the Ear Marked Reserve. Fully implemented these intentions will reduce the reserve by up to £10,000.

The Council has previously recognised the risks of using the reserve for funding on-going revenue commitments and the Administration Working Group has not recommended such a course of action.