

MAESTEG TOWN COUNCIL

Minutes of a **HYBRID** meeting of the **Finance committee** held remotely via Microsoft Teams and at the Council Chamber, Council Offices, Talbot Street, Maesteg, on **Tuesday, 23rd January 2024.**

COUNCILLORS

IN PERSON: **G Thomas (Chair)**
F Abedalkarim, A LeGeyt and R Martin

ONLINE: P Davies and L Thomas

APOLOGIES: Cllr C Knight

DECLARATION OF INTEREST: None received

427. QUARTER 3 REVIEW OF ACCOUNTS (OCTOBER - DECEMBER 2023)

Report to the finance committee on current and possible future budget

Q1 – Q3 results as at 31/12/2023.

Cash on hand = £492,005.98

Unpresented payments = £484.00

Budget Position

Precept for the year was set at £301,107.00 during December 2022 Extraordinary Council meeting.

In December 2022 it was set as 745,932.00

Capital spend	327,600.00
Revenue Spend	418,332.00
Total Spend	745,932.00
Fraud	(47,600.00)
brought forward	467,224.41
Expected Balance	-278,707.59
Working reserve	70,000.00
Total precept required	- 301,107.59

Following Finance recommendations to add to the budget from reserves the budget then changed to £802,499.65.

Position at end Q3.

Actual budget – spend = cash available

Council spent £636,318.87 (including money transferred from Lloyds to CCLA) actual spend minus the CCLA transfer = £386,318.87.

802,499.65 – 386,318.87 = 416,180.78 = 52% of budget spent

Forward View and comments.

The councils spend has been categorised as:-

- long term commitments, those being contractual spend or items committed by the council that can't easily be amended.
- Discretionary spend – short term spending that may be contractual or not but that can be varied by the council should it wish.
- Other items – items that don't fit the above categories or deserve special mention such as one-off purchases.

For each Budget line a comment is made on how much is expected to be spent on that item in the full financial year, so includes a best estimate or latest view to enable a year end position to be calculated for budget setting purpose. Appendix A shows an easy-to-read table format that shows, budget allocation, spend to date, expected spend and better/worse than budget.

<i>EXPENDITURE ANALYSIS</i>	<i>Budget</i>	<i>Budget Remaining</i>	<i>Spend to Date</i>	<i>% Budget Spent</i>	<i>EXPECTED SPEND IN Q4</i>	<i>Balance remaining</i>
CAPITAL PROJECTS						
<i>Capital Projects (Traffic scheme, Maesteg Park memorial & trial bus service)</i>	95,000.00	94,150.00	850.00	0.89	38,600.00	55,550.00
<i>Capital Projets Grade II* listed building</i>	231,338.91	180,086.62	51,252.29	22.15	20,000.00	160,086.62
<i>Capital Projects - Chamber audio upgrade</i>	31,349.00	-	31,349.00	100.00	-	-
<i>Capital Projects - Bus Shelters</i>	12,717.00	4,432.47	8,284.53	65.15	5,248.78	816.31
<i>Capital Projects - CAT of Blaencaerau Play area</i>	5,000.00	5,000.00	-	-	5,000.00	-
<i>Capital Project - Graffiti Murals</i>	12,390.00	12,390.00	-	-	5,690.00	6,700.00
REVENUE BUDGET						
<i>Car park toilet</i>	40,000.00	24,649.76	15,350.24	38.38	-	24,649.76
<i>CAT</i>	15,000.00	10,000.00	5,000.00	33.33	5,000.00	5,000.00
<i>Cenotaphs</i>	2,200.00	1,200.00	1,000.00	45.45	-	1,200.00
<i>Children's Playschemes</i>	6,600.00	-	6,600.00	100.00	-	-
<i>Christmas lighting</i>	54,502.00	54,021.36	480.64	0.88	54,021.36	-
<i>CMO equipment allowance</i>	2,000.00	364.02	1,635.98	81.80	-	364.02
<i>Defibrillator Maintenance</i>	1,000.00	592.10	407.90	40.79	135.97	456.13
<i>Dog waste bags</i>	5,393.00	1,698.40	3,694.60	68.51	-	1,698.40

<i>Elections</i>		-	-			-
<i>Floral displays</i>	12,000.00		13,435.00	111.96		-
<i>General Fees</i>	5,000.00		27,099.80	542.00		-
<i>Insurance</i>	3,500.00	79.85	3,420.15	97.72		79.85
<i>Maesteg Cemetery</i>	1,500.00	375.00	1,125.00	75.00	375.00	-
<i>Maesteg Festival - Keeper Run</i>	15,000.00	2,687.49	12,312.51	82.08		2,687.49
<i>Maesteg Festival - Summer Festival</i>	20,000.00	14,927.22	5,072.78	25.36		14,927.22
<i>Maesteg Festival - Christmas grotto & parade</i>	34,930.61		37,110.95	106.24		-
<i>Mayoral Office</i>	3,358.16	-	3,358.16	100.00		-
<i>Members expenses</i>	5,152.00	937.00	4,215.00	81.81	625.00	312.00
<i>Office costs</i>	5,500.00	2,204.90	3,295.10	59.91	1,098.37	1,106.53
<i>Premises running costs</i>	20,000.00	5,589.24	14,410.76	72.05	4,803.59	785.65
<i>S.137 donations</i>	20,000.00	4,223.71	15,776.29	78.88	4,000.00	223.71
<i>School litter bin project</i>	5,000.00	5,000.00	-	-		5,000.00
<i>Staff costs</i>	79,599.00	9,683.50	69,915.50	87.83	19,000.00	9,316.50
<i>Street Cleansing</i>	25,000.00	25,000.00	-	-		25,000.00
<i>Telephones and IT</i>	5,500.00	828.06	6,328.06	115.06	1,674.36	2,502.42
<i>Training</i>	3,000.00	1,702.01	1,297.99	43.27	134.00	1,568.01
<i>Van</i>	2,500.00	1,202.99	1,297.01	51.88	200.00	1,002.99
<i>Ward Specific - Caerau</i>	6,470.00	3,352.91	3,117.09	48.18	3,350.00	2.91
<i>Ward Specific - Maesteg East</i>	5,000.00	1,795.18	3,204.82	64.10	1,750.00	45.18
<i>Ward Specific - Maesteg West</i>	5,000.00	4,235.86	764.14	15.28	4,200.00	35.86
<i>Ward Specific - Nantyllyllon</i>	5,000.00	5,000.00	-	-	5,000.00	-
	802,499.68	450,038.39	352,461.29	43.92	179,906.43	

Budget lines with no further spend expected:

<i>Budget</i>	<i>Remaining budget with no further spends</i>
<i>Car park toilet</i>	24,649.76
<i>Cenotaphs</i>	1,200.00
<i>Insurance</i>	79.85
<i>Maesteg Festival - Keeper Run</i>	2,687.49
<i>Maesteg Festival – Summer</i>	14,927.22
<i>Street Cleansing</i>	25,000.00
TOTAL	£68,544.32

Income

Income comprises of the following:

Income Analysis 2023/24

	TOTAL	EXPECTED payments IN Q4	Notes
<i>Bank Interest</i>	372.06	207.00	69.61 received in January, estimate 69 per month = 207
<i>BCBC - CAT Grant Reclaim</i>	2,000.00	-	
<i>BCBC - Christmas Grant</i>	4,000.00	-	
<i>BCBC - Precept</i>	301,107.00	-	
<i>BCBC - ROW Agency Agreement reclaim</i>		3,938.25	
<i>Cash Deposit - Ring doorbell</i>	30.00	-	
<i>Cash Deposit - donation from street hawkers</i>	60.00	-	
<i>CCLA Redemption</i>	325,000.00	-	
<i>Cheques / payments written back</i>		-	
<i>HMRC VAT</i>	24,288.23	23,354.27	Q4 not claimed until April 24
<i>Llan Middle - Chamber hire</i>		30.00	dependent on how many times chamber booked, once in January - expected based on 1 per month
<i>Llan Middle - Office Rental</i>	1,950.00	650.00	Q4 due in February
<i>Llan Middle - Poop scoop bags</i>	44.18	67.32	based om 2 boxes per month
<i>Llan Middle - Selection Boxes</i>	325.00	-	
<i>OGI - Grant</i>	250.00	-	
<i>Public Sector Depository (Investment Dividends)</i>	20,754.22	4,902.55	1,902.55 received in January, hopefully 3000 in February & March
<i>Refund from EDF</i>	736.85	1,022.88	1022.88 refund received in January for overpayments in Llynfi Rd Car park
<i>Room Hire</i>	15.00		no further bookings atm
<i>SSE Refund</i>	441.18	-	

<i>Vault Rental</i>	<i>1,125.00</i>	<i>375.00</i>	
	<u><i>682,498.72</i></u>	<u><i>34,547.27</i></u>	

Income is expected to continue in line with expectations. This income is not considered in the budget spend and will be added to reserves.

Members went through the above and the following was raised:

- A member queried the trial bus service, Clerk advised that a meeting with the bus company had been held (22nd January) and that once Full Council have agreed and timetables printed and posted to residents it is hoped that the trial bus service will start on 27th February. The company have agreed to providing monthly passenger numbers and quarterly reviews of the service.
- A member raised the Graffiti project as a number of negative comments on social media. Clerk advised that this is to be discussed in February full council. Chair of Finance advised that the finance committee have set aside a budget for this and anticipate spending half of the budget by the year end, and only Full Council can discuss removing the project.
- Clerk advised that with the MTC CAT Grant – Caerau All Whites are still waiting on BCBC who have now requested a 5-year business plan, therefore they may not complete by the end of current Financial Year. In addition to this the internal auditor has advised that Caerau AFC have disbanded and therefore will not be proceeding with the CAT Grant.

A discussion ensued whereby members felt that we only needed to budget £2,500.00 for this as we receive grant back from BCBC. Clerk advised we budget the £5,000.00 and claim back £2,000.00 from BCBC as there is a 40/60 split not 50/50 split.

- A member queried the Christmas lighting and asked if the invoice had been received and if a reduction would be given as a couple of the Christmas trees and 1 or 2 of the new lighting features did not work, Clerk advised that the invoice has been requested and will also query if there will be a reduction due to a couple of the Christmas trees and 1 or 2 of the new lighting features did not work.
- Clerk queried VAT Q4 claim as in February there should be some large payments and therefore large amount of VAT to reclaim. Would Council prefer to split Q4 into 3 reclaims or leave as a Q4 single reclaim?

A member thought this was a good idea as we would get more interest from the bank, whilst other members agreed to keep as is in order not to generate more work for the Clerk.

428. Q3 YEAR LATEST VIEW POSITION.

If spend was “to budget” from existing bank balance (neglecting income due to the small value) then the council would be left with a year-end reserve of

	£	
Cash at end of Q3	492,005.98	492,005.98
Budget remaining	449,663.39	
Expected spend for Q4		179,906.43
End of year cash in bank	42,342.59	312,099.55

Current Overspends:

	£
Floral displays	1,435.00
General Fees	22,099.80
Maesteg Festival – Christmas	2,180.34
Staff Costs	9,316.50
Telephone & IT	2,502.42
TOTAL OVERSPEND	£37,534.06

Predicted end of year reserves – overspend

	If full budget spent	Expected spend for Q4
End of year cash in bank	42,342.59	312,099.55
Current Overspend	37,534.06	37,534.06
Potential end of year cash in bank	£4,808.53	£274,564.49

- A member queried how the estimated year end cash in the bank is £60,000.00 more than when the budget for 2024-25 was discussed. It was explained that the figures used to estimate for 2024-25 were based on 6 months accounts and were only estimates. Q3 gives 9 months of figures and estimates are better estimated. MTC may have more cash at the end of year as estimates can be overestimated or underestimated, it is believed that MTC overestimate.

429. TO REVIEW RISK REGISTER AND ASSET REGISTER

Members were provided with the Risk Register and Asset Register.

The Chair of Finance requested that the Property Committee review the Asset Register, the committee agreed to this. It was noted by one member that they were happy to see a detailed asset register.

With the Risk Register the Chair of Finance stated that the Council has a fairly low risk to finance due to the Financial Regulations. The Chair stated that with the investment’s strategy of investing with the CCLA (Charities, Churches and Local Authorities) the

risk was very minimal, and the dividends received were higher than the bank. It was agreed to keep the investment with CCLA.

430. TO REVIEW CONTRACTS - COSTS FOR DOG WASTE POOP SCOOP BAGS

Members were provided with the following:

In January 2024 full council meeting it was requested that the costs are investigated for dog waste bags as Council are ordering more dog waste bags each year.

Currently pay JRG Enterprises £1,853.70 for 160,000 standard degradable vest type poop scoop bags + delivery as per below screenshot of latest invoice paid in November 2023.

Description	Quantity	Unit Price	VAT	Amount GBP
JRB-STP01S, 160,000 JRB Standard degradable Vest type poop Scoop Bags (80 cases of 2000)	160.00	11.22	20%	1,795.20
Carriage, Carriage	1.00	58.50	20%	58.50

Subtotal	1,853.70
Total VAT 20%	370.74
Invoice Total GBP	2,224.44
Total Net Payments GBP	0.00
Amount Due GBP	2,224.44

Having completed a quick search online the costs are as follows:

Company Name	Cost for 160,000 standard degradable vest type poop scoop bags
JRB Enterprises	As above = may change slightly
www.polybags.co.uk	£3,292.80 free delivery
www.muttsbutts.com	£3,154.00 (delivery unknown)
https://www.dogpoopbags.co.uk	£2,149.20 for 150,000 free delivery
https://www.scot-petshop.com	£2,796.67 free delivery
www.binliners.co.uk	£10,667.00 free delivery
https://greencoco.co.uk	£4,462.40 (delivery unknown)
https://www.zoro.co.uk	£159.99 per 600, 160,000 = £42,557.34

Members discussed the above table and agreed to **recommend** staying with the current provider. The Council has a duty of due diligence to check prices with suppliers and this exercise has proved that MTC are receiving the best price.

The Chair advised the committee that the council should look at contracts regularly to make sure the Council is getting competitive prices for purchases.

The Chair also discussed that it would be beneficial to the Council to stay with one events management committee for the fun run, Summer events and Christmas Parade for at least 3 years in order for the company to evolve the events and know what works and what doesn't work.

A member queried whether there were any problems with online authorising, payments being rejected etc. Clerk advised that the only issue is one of the authorisers not authorising any online payments despite the deputy clerk and clerk offering to assist with training for this. The Chair advised that this would be a discussion for the AGM.

431. RECOMMENDATIONS

1. To note Q3 analysis
2. Property Committee to look at the asset register.
3. To remain with the current poop scoop bags provider.
4. To remain with one events company for 3 years for fun run, summer events and Christmas parade.

Minutes emailed to all Councillors to Read on 24th January 2024
Minutes accepted at a remote meeting of the Council held on 6th February 2024

Mayor