



Minutes of a HYBRID meeting of the **FINANCE MEETING** held at the Council Chamber, Council Offices, Talbot Street, Maesteg and remotely via Microsoft Teams and, on **Tuesday, 17th September 2024**

PRESENT: Clerk
**COUNCILLORS
IN PERSON:** **G Thomas (Chair)**
C Davies, P Davies, C Knight & A LeGeyt,
APOLOGIES: R Martin & L Thomas

DECLARATION OF INTEREST: None declared.

203. TO REVIEW Q1 ACCOUNTS AND BUDGET POSITION

Members were provided with all signed bank reconciliations from Q1 and a Q1 summary sheet. In addition to this the Chair of Finance had also provided members with a summary report.

Clerk's report to the finance committee on current and possible future budget Q1 results as at 26/06/2024

Cash on hand = £620,633.65
Unpresented payments = £786.85

Budget Position

Budget Spend for the year was set at £601,696.20 during December Extraordinary Council meeting with a precept request of £357,241.84.

Position at end Q1.

Council spent £174,661.01 (excluding money transferred from Lloyds to CCLA & VAT) which is equivalent to 27.94% of the budget.

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.

EXPENDITURE ANALYSIS	Budget	Budget Remaining	Spend to Date	% of budget spent	Notes
CAPITAL PROJECTS					
<i>Capital Projects (Maesteg Park memorial & trial bus service)</i>	<i>50,000.00</i>	<i>33,425.22</i>	<i>16,574.78</i>	<i>33.15</i>	
<i>Capital Projects Grade II* listed building</i>	<i>187,853.00</i>	<i>99,529.65</i>	<i>88,323.35</i>	<i>47.02</i>	MTC have been granted a transforming towns grant, however MTC have also agreed for additional work to be carried out
<i>Upgrade Office IT systems</i>	<i>3,000.00</i>	<i>3,000.00</i>	<i>-</i>	<i>-</i>	yet to look into this
<i>CAT Blaencaerau Park</i>	<i>5,000.00</i>	<i>-</i>	<i>-</i>		CAT Transfer complete - need to get quotes for refurbishment
<i>Capital Project - Graffiti Murals</i>	<i>12,390.00</i>	<i>-</i>	<i>-</i>		1 mural completed - awaiting invoice
		<i>-</i>	<i>-</i>		
REVENUE BUDGET					
<i>Car park toilet</i>	<i>50,000.00</i>	<i>50,000.00</i>	<i>-</i>	<i>-</i>	
<i>CAT</i>	<i>5,000.00</i>	<i>5,000.00</i>	<i>-</i>	<i>-</i>	Still waiting for outstanding clubs to complete the CAT process.
<i>Cenotaphs</i>	<i>2,200.00</i>	<i>2,200.00</i>	<i>-</i>	<i>-</i>	In line with expectations – not looked at until end of October / beginning of November
<i>Children's Playschemes</i>	<i>6,600.00</i>	<i>6,600.00</i>	<i>-</i>	<i>-</i>	Summer playschemes to be held in Maesteg Sports Centre and Noddfa Community Centre.
<i>Christmas lighting</i>	<i>30,000.00</i>	<i>30,000.00</i>	<i>-</i>	<i>-</i>	check quotes agreed
<i>CMO equipment allowance</i>	<i>2,000.00</i>	<i>1,804.14</i>	<i>195.86</i>	<i>9.79</i>	in line with expectations
<i>Defibrillator Maintenance</i>	<i>1,100.00</i>	<i>863.01</i>	<i>236.99</i>	<i>21.54</i>	in line with expectations
<i>Dog waste bags</i>	<i>5,932.30</i>	<i>4,064.10</i>	<i>1,868.20</i>	<i>31.49</i>	in line with expectations
<i>Elections</i>		<i>-</i>	<i>-</i>		no budget but there will be a by-election in September - costs unknown at the moment

<i>Floral displays</i>	<i>12,000.00</i>	<i>12,000.00</i>	<i>-</i>	<i>-</i>	Should expect spend during the Summer
<i>General Fees</i>	<i>5,500.00</i>	<i>883.00</i>	<i>4,617.00</i>	<i>83.95</i>	Still waiting for Audit Wales fees for 2023-24 audit
<i>Insurance</i>	<i>3,500.00</i>	<i>3,500.00</i>	<i>-</i>	<i>-</i>	Renewal of insurance due in September
<i>Maesteg Cemetery</i>	<i>1,500.00</i>	<i>1,125.00</i>	<i>375.00</i>	<i>25.00</i>	In line with expectations
<i>Maesteg Festival - Keeper Run</i>	<i>15,000.00</i>	<i>8,120.75</i>	<i>6,879.25</i>	<i>45.86</i>	Outstanding invoice for the event has been paid in Q2, expect an overspend.
<i>Maesteg Festival - Summer Festival</i>	<i>20,000.00</i>	<i>20,000.00</i>	<i>-</i>	<i>-</i>	
<i>Maesteg Festival - Christmas grotto & parade</i>	<i>35,000.00</i>	<i>30,821.25</i>	<i>4,178.75</i>	<i>11.94</i>	check quotes agreed
<i>Mayoral Office</i>	<i>3,300.00</i>	<i>3,023.70</i>	<i>276.30</i>	<i>8.37</i>	In line with expectations
<i>Members expenses</i>	<i>5,152.00</i>	<i>2,655.00</i>	<i>2,497.00</i>	<i>48.47</i>	In line with expectations
<i>Office costs</i>	<i>5,500.00</i>	<i>4,616.28</i>	<i>883.72</i>	<i>16.07</i>	In line with expectations
<i>Premises running costs</i>	<i>22,000.00</i>	<i>10,585.37</i>	<i>11,414.63</i>	<i>51.88</i>	Additional NNDR costs not incorporated into the budget as they were not presented to MTC until April 2024
<i>S.137 donations</i>	<i>20,000.00</i>	<i>13,424.28</i>	<i>6,575.72</i>	<i>32.88</i>	In line with expectations
<i>Staff costs</i>	<i>87,558.90</i>	<i>62,829.05</i>	<i>24,729.85</i>	<i>28.24</i>	In line with expectations, however with CMO retiring in Q2 and the recruitment of new post this may occur an overspend
<i>Telephones and IT</i>	<i>5,500.00</i>	<i>4,049.50</i>	<i>1,450.50</i>	<i>26.37</i>	In line with expectations
<i>Training</i>	<i>3,000.00</i>	<i>2,920.00</i>	<i>80.00</i>	<i>2.67</i>	Not many Cllrs attended any training in Q1
<i>Van</i>	<i>2,500.00</i>	<i>1,775.89</i>	<i>724.11</i>	<i>28.96</i>	In line with expectations
<i>Ward Specific - Caerau</i>	<i>8,346.91</i>	<i>5,566.91</i>	<i>2,780.00</i>	<i>33.31</i>	In line with expectations
<i>Ward Specific - Maesteg East</i>	<i>6,795.18</i>	<i>6,795.18</i>	<i>-</i>	<i>-</i>	In line with expectations
<i>Ward Specific - Maesteg West</i>	<i>9,235.86</i>	<i>9,235.86</i>	<i>-</i>	<i>-</i>	In line with expectations
<i>Ward Specific - Nantyffyllon</i>	<i>10,000.00</i>	<i>10,000.00</i>	<i>-</i>	<i>-</i>	In line with expectations

642,464.15 *467,803.14* *174,661.01* *27.19*

N.B. the following additions to the budget:

- CAT Blaencaerau Park £5,000.00 was earmarked reserves from 2023/24
- Graffiti Murals £12,390.00 was earmarked reserves from 2023-24
- See Minute 512 of Extraordinary Council 26/03/2024 whereby Wards can carry over underspends to the following financial year and this is capped at £10,000.00 hence why the Ward budgets differ to the original budget set 14/12/2023

<i>transfer of funds from Lloyds to CCLA</i>	<i>350,000.00</i>
<i>VAT - for information</i>	<i>33,428.56</i>

Income comprises of the following:

Income Analysis 2024/25

	TOTAL	Notes
<i>Bank Interest</i>	<i>180.37</i>	In line with expectations
<i>BCBC - Christmas Grant</i>	<i>4,000.00</i>	Received early in 2024-25
<i>BCBC - Precept</i>	<i>357,242.00</i>	In line with expectations
<i>BCBC - Transforming Towns Grant</i>	<i>20,612.92</i>	In line with expectations
<i>CCLA Redemption</i>	<i>175,000.00</i>	As and when required
<i>Cheque from Caerau Men Shed - return of S137 from Oct 2022</i>	<i>500.00</i>	As expected,
<i>Llan Middle - Office Rental</i>	<i>650.00</i>	In line with expectations
<i>Llan Middle - Poop scoop bags</i>	<i>44.88</i>	In line with expectations
<i>Llan Middle - Selection Boxes</i>		Not due until Q3
<i>Public Sector Depository (Investment Dividends)</i>	<i>5,916.19</i>	
<i>Screwfix Refund</i>	<i>57.75</i>	
<i>Vault Rental</i>	<i>375.00</i>	In line with expectations

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

Q1 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 Q1	620,633.65
Budget spend – see attached budget sheet	- 467,803.14
End of year cash in bank	152,830.51

Chair of Finance Report:

Opening statement - Due to holiday and work commitments the end of quarter 1 review has been delayed until August, so the current position is at 14th August 2014. We will review again in October and have an updated view for Q2. It is my intention to canvas the council for initial budget comments prior to that meeting so we can start to build next years budget early and ensure we can cost projects etc.

Budget

To Start last year the council set a budget for 2024/25 of £610,696.20

Through the year the council has passed resolutions that have added spend to the budget by £21,437 namely:

- Cat transfer of caerau play park £5000
- Graffiti murals – £12,390
- £1000 Sponsorship of Maesteg Quins this year and others next year.

This has raised the expected budget spend of the council to £632,133.20

Spend

To date we have spent £350,568.44 of the current budget around 41% with the big outlays being Building upgrades, Staff, Keeper of the Collery run, Floral displays & bus service

Income

As you will all be aware when we set the budget we did not account for or include income when setting our spends. This was due to the lack of detail from previous years and also it was considered to be insignificant in comparison to the size of the precept. In light of some windfall income in the form of grants and bank income it is no longer an insignificant amount at £121,063 to date. I would draw the committee's attention to the two types of income we have received, repeating and one off.

The **one-off incomes** mainly consist of:

- £67,985 from BCBC for the building repairs grant
- £4,000 from BCBC for Christmas support

The **ongoing incomes** come in the form of the VAT rebate –

- £13,802 from HMRC for Q4 last year VAT rebate
- £21,804 For this years Q1 rebate
- £10,594 for interest on our CCLA account
- £1500 for rent of the Vault,
- Plus other smaller miscellaneous items.

Next year I think the committee should consider the ongoing income when setting the budget.

Cash on Hand

The current total cash on hand is £605,394.74 split across the councils accounts with the bulk being in the CCLA long term fund.

Potential Spend

The worst case for the council would be if it was to spend 100% of all remaining budget at £367,038.44. In reality this unlikely to be the case given we have 50K earmarked for toilet provision but no plans or prices in place, additionally we are unlikely to spend all the allowances in many areas. After the Q2 review myself and the RFO will review each line and project an expected spend that will give a better view, but if we assume it will all be spent it leaves us with a potential year end balance of £283,356.30.

Budget implications

The council did not budget for any election costs given its not an election year but with the position in the caerau ward we need to make allowances, I would recommend that we move £4K into a new budget line for elections the previous one was £3500 so £4,000 should cover it.

The New CMO will be on increased wages to the previous one and so we need to increase the council salary budget in line with the increase.

Additional items

The council has already agreed some earmarked spend for next year that will need to be provisioned for such as.

- £25,000 for the mining pony memorial in Maesteg park
- £3,000 for the additional 3 rugby club sponsorships
- £50,000 for Maesteg park 100 year festival.

This totals £79,000.00

Latest View.

The latest view taking all the above into account the council will worst case close the year with around £159K in the black so has sufficient funds to meet its needs and potentially commission other projects. In addition there is the potential to reclaim another £30,000 for the remaining building works but that will be reliant on the work being invoiced by April next year.

Original budget	610,696.20
Total Budget	632,133.20
spend to date	260,127.76
income for the year	121,063.00
Cash at hand end Aug	605,394.74
Spend remaining	367,038.44
potential year end	238,356.30
Earmarked	79,000.00
latest view	159,356.30

Committee members raised the following questions:

- CMO – has the new CMO started and old CMO finished?

Clerk advised that the new CMO has started and is currently being trained by the former CMO. Originally the former CMO advised that he would stay until the end of September, however feels that he will likely stay until mid-October to guarantee that the new CMO is trained.

- What is happening with the Van and Unit?

Clerk advised that previously if Council had engaged with a contractor then there would be a discussion on the van and unit, however as Council recruited for the role the van and unit are necessary for the CMO to carry out their role.

- Next years budget?

Chair of finance advised that he is currently canvassing Council for projects ready to be discussed in the budget meetings. The Chair of Finance would like to start discussing next years budget in Q2 finance committee meeting, and then bring the discussed/proposed budget for 2025-26 to a precept meeting in December.

- £50k budgeted for car park toilet?

Chair of finance advised that this was budgeted but nothing had been progressed, Clerk advised that the land was not in BCBC ownership and would not be CAT transferred as it came within the boundary of the car park and deeds of the Talbot estate – this information is to be shared with Council.

It was **agreed** to recommend that Q1 accounts are accepted.

204. TO REVIEW NEED FOR INTERNAL AUDITOR

Maesteg Town Council is required by law to appoint an Internal Auditor to review the Council's Financial Systems and audit the final accounts. The Council's financial operations and the work required by the Internal Auditor is controlled by the Account and Audit Regulations 2019.

The Internal Auditor will be independent of the Council and will be expected to possess the appropriate level of competence. Ideally, the internal auditor should have an understanding of and experience of local government finance, especially in relation to Town & Community Councils.

In the 2023-24 MTC engaged with Mr GW Davies as the internal auditor.

Chair of finance **proposed**, seconded by Cllrs PD & CK that the committee recommend to council to ask the current internal auditor if he would like to continue as MTC internal auditor for another year.

205. TO REVIEW MTC FINANCIAL REGULATIONS

Members were provided with the current Financial Regulations; it was **agreed** to recommend the following change:

2.2 should say until end of December and not end of January

206. TO REVIEW S137 POLICY

Members were provided with the current S137 policy and application form.

Members raised the followinh:

- Why do we only give £300 to schools?

Chair of finance advised that that was what was agreed, however if the committee want to raise the amount we can recommend to Council to raise the amount. Members discussed and agreed to recommend that the amount is increased to £500 for a specific project.

- What about sports clubs with multiple age groups?

Clerk advised that the current policy states that the parent club applies for the funding and then distributes it as it sees fit. Members discussed this and **agreed** to recommend that the following is added to the local groups/clubs: ‘in exceptional circumstances the full council may grant additional grants to multiple age groups’

- What about additional grants to other applicants or requests for more than £500?

Chair of finance advised that this is already in the policy ‘In exceptional circumstances the full council may grant additional grants in addition to the annual request’

207. TO DISCUSS ADDITIONAL GRANT/SPONSORSHIP OF EVENTS / RUGBY CLUBS ETC

In August Full Council the following requests were granted:

MINUTE 156

REQUEST FOR EVENT SUPPORT/SPONSORSHIP: LLYNFI VALLEY BMX

Cllr M Rowlands declared an interest in this item, let the room and therefore did not participate in any discussion.

RESOLVED: Council to donate £3,295 in support of the event run by Llynfi Valley BMX

MINUTE 158

SPONSORSHIP OF LOCAL RUGBY CLUB ANNIVERSARIES

Maesteg Town rugby clubs are coming up to important anniversaries, over the next 4 years,

Maesteg Harlequins RFC	1899	125 years this season
Nantyffyllon RFC	1900	125 years next season
Maesteg Celtic RFC	1926	100 years in 2 years
Maesteg 7777 RFC	1877	150 years in 3 years

RESOVLED: to grant £1,000 sponsorship grant to the above named clubs

Following the above minutes payments were arranged for Llynfi BMX and Maesteg Harlequins RFC.

Maesteg Harlequins RFC provided an invoice that included banking details – this was not queried.

Clerk created a letter to Llynfi BMX for their grant and Cllr C Knight queried this as they hadn’t provided a bank statement.

In the Full Council meeting it was not discussed that we needed a bank statement from the clubs before issuing the grants. Llynfi BMX had already received S137 in 2024/25 and we had their bank details on file. Following Cllr Knight's email, the deputy clerk asked Llynfi BMX for a recent bank statement which they provided before Cllr C Knight would authorise the payment.

In September full Council meeting the following was agreed:

MINUTE 181

SPONSORSHIP OF LOCAL RUGBY CLUB ANNIVERSARIES

Banners: Order banners for events

21/08/24 Cllr G Thomas emailed: *'I Just found out from Nanty that I had the date wrong its this year along with the quins they celebrate 125years not next year. Can you add a quick item to the next full council meeting for me to get it agreed to bring the spend forward (im sure its not an issue) but we will need an extra banner and a page for the program'*

Members agreed to bring the funding for Nantyffyllon rugby club forward to this year.

RESOLVED: To proceed with ordering banners and to request an invoice from Nantyffyllon Rugby Club for the sponsorship.

Following the resolution Clerk asked Nantyffyllon RFC to send MTC an invoice for the sponsorship to include their banking details. Again, in September full Council it was not mentioned that clubs needed to provide a bank statement, and the invoice was processed. Cllr C Knight again emailed to advise that she is unhappy that no bank statement was provided. Nantyffyllon RFC did receive S137 in 2023/24 and the bank details provided on the invoice matched those given on the statement provided in December 2023. The bank details also matched those on the invoice in July when MTC had to pay room hire fees Mayors Civic Sunday.

Members discussed Cllr C Knight concerns and agreed to add to the following to the Financial Regulations: Add item 5.4 All Council donations to be accompanied by identifying bank statements

208. RECOMMENDATIONS:

1. Q1 accounts are accepted.
2. Ask 2023-24 Internal Auditor if he would like to continue as MTC internal auditor for another year i.e. 2024-25
3. Financial Regulations
 - a. Item 2.2 should say until end of December and not end of January
 - b. Add item 5.4 All Council donations to be accompanied by identifying bank statements

4. S137:

- a. Increase the amount to schools to £500 for a specific project
- b. the following is added to the local groups/clubs: ‘in exceptional circumstances the full council may grant additional grants to multiple age groups’

**Minutes emailed to all Councillors to Read on 17th September 2024
Read and accepted at a remote meeting of the Council held on 1st October 2024**

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Mayor